

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☐

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☐

GAS
WELL ☒

OTHER

SINGLE
ZONE ☐

MULTIPLE
ZONE ☒

2. NAME OF OPERATOR

Freedom Energy, Inc.

3. ADDRESS OF OPERATOR

1050 - 17th St., Suite #710, Denver, Co 80265 303-592-3022

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface
585' FSL, 2112' FWL, SW1/4, SE1/4, Sec. 35, T11S, R23E
At proposed prod. zone

CONFIDENTIAL

5. LEASE DESIGNATION AND SERIAL NO.

UTU-73694

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Hanging Rock Federal H

9. WELL NO.

35-15

10. FIELD AND POOL, OR WILDCAT

11. SEC. T. R. M. OR BLK.
AND SURVEY IN AREA

SEC. 35, T 11 S, R 23 E.

12. COUNTY OR PARISH

UINTAH

13. STATE

UT

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

18.4 MILES SOUTH OF BONANZA, UT

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

585'

16. NO. OF ACRES IN LEASE

10,092.71

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

8500'

19. PROPOSED DEPTH

4632'

20. ROTARY OR CABLE TOOLS

ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

5941'

22. APPROX. DATE WORK WILL START*

March 15, 1997

23. PROPOSED CASING AND CEMENTING PROGRAM

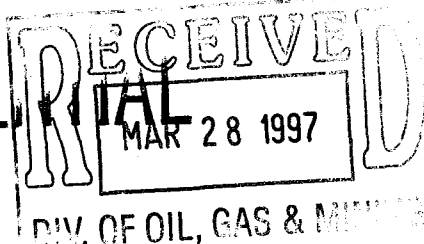
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4	9 5/8	36	300	TO SURFACE
7 7/8	4 1/2	11.6	T.D.	CMT TOP TO COVER THE OIL SHALE

OPERATOR REQUESTS PERMISSION TO DRILL THE SUBJECT WELL
PLEASE SEE THE ATTACHED 10 POINT AND THE 13 POINT SURFACE
USE PLAN.

IF YOU REQUIRE ADDITIONAL INFORMATION PLEASE CONTACT:

WILLIAM A. RYAN
350 S., 800 E.
VERNAL, UTAH
801-789-0968
801-823-6152

CONFIDENTIAL



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

WILLIAM A. RYAN

PETROLEUM ENGINEER Feb. 21, 1997

SIGNED

William A. Ryan

TITLE

DATE

(This space for Federal or State office use)

PERMIT NO.

437047-32853

APPROVAL DATE

APPROVED BY

John R. Baya

TITLE

Petroleum Engineer

DATE

4/25/97

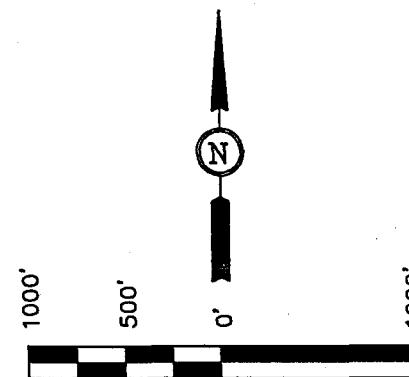
CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

FREEDOM ENERGY, INC.

BASIS OF ELEVATION

BENCH MARK 87EAM (1965) LOCATED AT A ROAD INTERSECTION IN THE SW 1/4 OF SECTION 1, T12S, R23E, S.L.B. &M. TAKEN FROM THE ARCHY BENCH SE QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5887 FEET.



CERTIFICATE

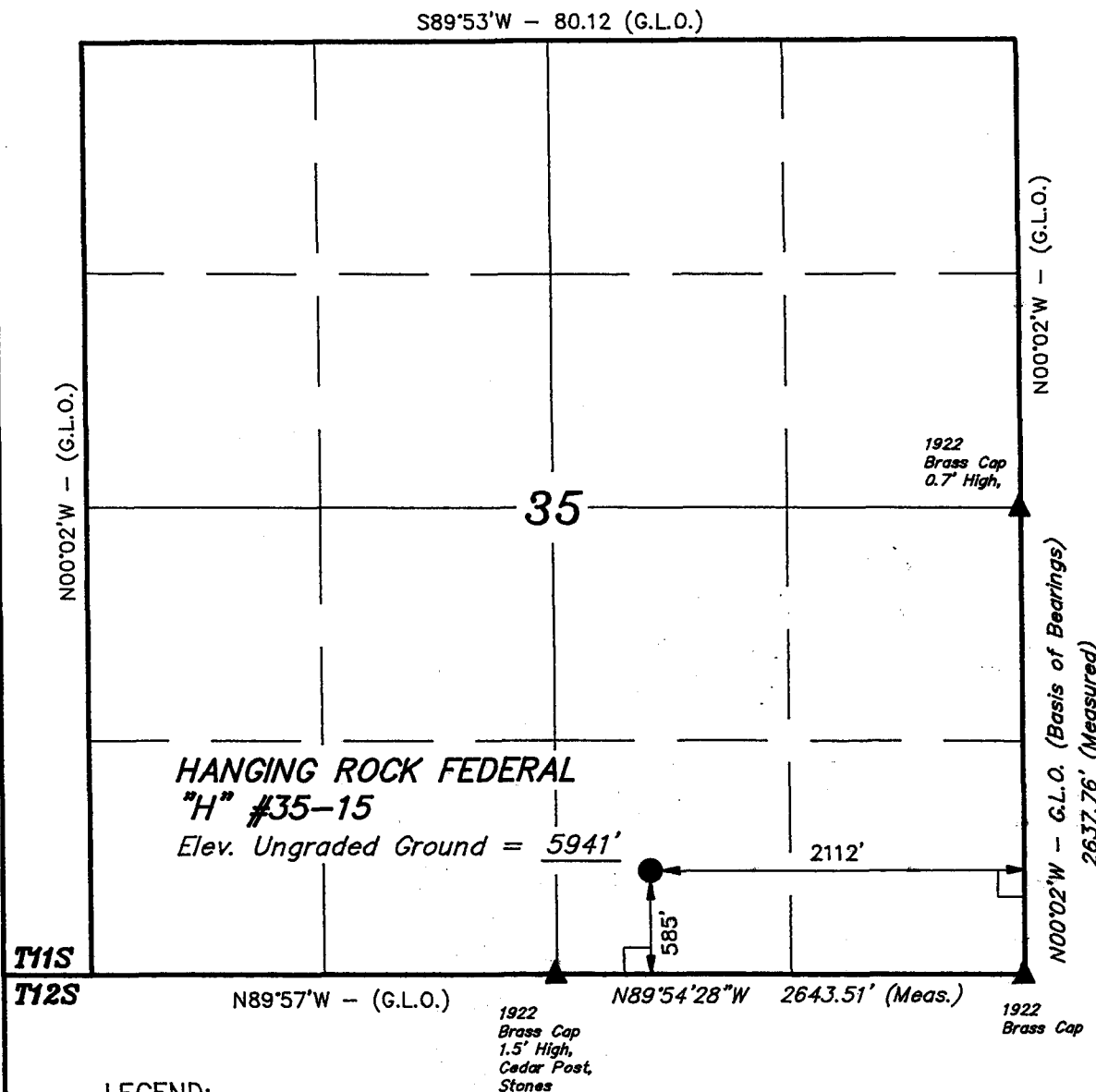
THIS IS TO CERTIFY THAT THE ABOVE PLOD WAS PREPARED FROM
FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY
SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE
BEST OF MY KNOWLEDGE AND BELIEF. 161210Z JAN 64

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

85 SOUTH 200 EAST - VERNAL, UTAH 84078

(801) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 01-9-97	DATE DRAWN: 01-21-97
PARTY L.D.T. B.B. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE FREEDOM ENERGY, INC.	



LEGEND:

- L = 90° SYMBOL
 ● = PROPOSED WELL HEAD.
 ▲ = SECTION CORNERS LOCATED.

SELF-CERTIFICATION STATEMENT

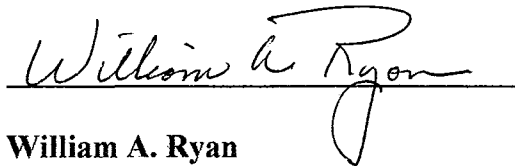
The following self-certification statement is provided per Federal requirements dated June 15, 1988.

Please be advised that Freedom Energy, Inc., is considered to be the operator of the following well.

**Hanging Rock Federal H 35-15
SW 1/4, SE 1/4, Section 35, T 11 S, R 23 E
Lease UTU-73694
Uintah County, Utah**

Freedom Energy, Inc., is responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage is provided by Certificate of Deposit, BLM Bond #UT-1030.

A handwritten signature in cursive script, reading "William A. Ryan", is written over a horizontal line.

**William A. Ryan
Agent
Rocky Mountain Consulting
350 S. 800 E.
Vernal UT 84078
801-789-0968 Office
801-823-6152 Cell
801-789-0970 Fax**

Ten Point Plan

Freedom Energy, Inc.
Hanging Rock Federal H
35-15

Surface Location SW 1/4, SE 1/4, Section 35, T 12 S, R 23 E

1. Surface Formation:

Green River

2. Estimated Formation Tops and Datum:

<u>Formation</u>	<u>Depth</u>	<u>Datum</u>
Green River	Surface	5,940' G.L.
Oil Shale	500	5,491
Wasatch	2,632	3,279
Mesaverde formation	4,232	1,679
T.D.	4,632	1,275

3. Producing Formation Depth:

Formation objective include the Wasatch and its submembers.

Off Set Well Information:

Off set well: None

4. Proposed Casing :

<u>Hole</u> <u>Size</u>	<u>Casing</u> <u>Size</u>	<u>Weight/Ft.</u>	<u>Grade</u> <u>& Tread</u>	<u>Setting</u> <u>Depth</u>	<u>Casing</u> <u>New/Used</u>
12 1/2	9 5/8	36	J-55/STC	300	New
7 7/8	4 1/2	11.6	J-55/LTC	T.D.	Used/inspected

Cement Program:

<u>Casing Size</u>	<u>Cement Type</u>	<u>Cement Amount</u>	<u>Cement Yield</u>	<u>Cement Weight</u>
9 5/8	Class "G" 2% Calcium 1/4 #/sk cello flake	200 sks.	1.18 cu. ft./sk.	15.6 lbs./gal.
<u>Casing Size</u>	<u>Cement Type</u>	<u>Cement Amount</u>	<u>Cement Yield</u>	<u>Cement Weight</u>
4 1/2	Lead Class "G" 3 % salt 16% gell 10# Gilsonite/sk	200 sks	3.90 cu. ft./sk.	11.0 lbs./gal.
	Tail Class "G" 10% salt 10% gypsum 2% WR15 .4 lbs/sk FL 25	500 sks +/-	1.53 cu. ft./sk.	14.8 lbs./gal.

5. BOP and Pressure Containment Data:

The anticipated bottom hole pressure will be less than 2000 psi.

A 3000 psi WP BOP system as described in the BOP and Pressure Containment Data (attached) will be installed and maintained from the 9 5/8" surface casing. The BOP system including the casing will be pressure tested to the minimum standards set forth in "On Shore Order #2". The BOP will be mechanically checked daily during the drilling operation.

6. Mud Program:

<u>Interval</u>	<u>Mud weight lbs/gal.</u>	<u>Viscosity Sec./Qt.</u>	<u>Fluid Loss ML/30 Mins.</u>	<u>Mud Type</u>
0-300	Air/Clear Water	----	No Control	Water/Gel
300-2000	Clear Water	----	No Control	Water/Gel
2000-T.D.	8.4-8.6	30	No Control	Water/Gel

7. Auxiliary Equipment:

Upper Kelly cock, full opening stabbing valve, 2 1/2" choke manifold and pit level indicator.

8. Testing, Coring, Sampling and Logging:

- a) Test: None are anticipated.
- b) Coring: There is the possibility of sidewall coring.
- c) Sampling: Every 10' from 2000' to T.D.
- d) Logging:

Type	Interval
DLL/SFL W/GR and SP	T.D. to Surf. Csg
FDC/CNL W/GR and CAL	T.D. to Surf. Csg

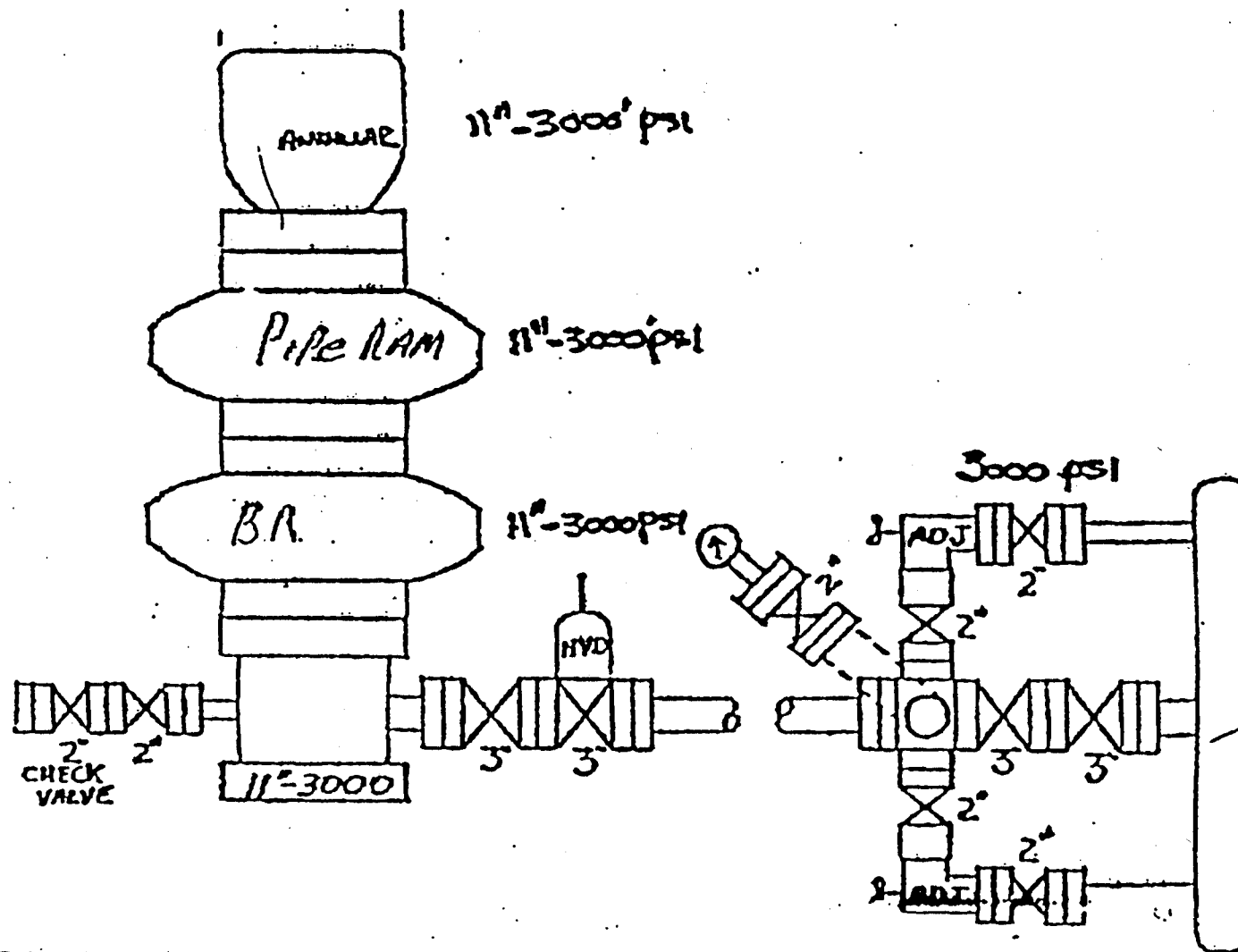
9. Abnormalities (including sour gas):

No abnormal pressures, temperatures or other hazards are anticipated. Oil and gas shows are anticipated in the Wasatch Formation. Other wells drilled in the area have not encountered over pressured zones or H₂S.

10. Drilling Schedule:

The anticipated starting date is March 15, 1997. Duration of operations expected to be 30 days.

Exhibit "A"



BOP Stack Arrangement

SCALE NONE

FREEDOM ENERGY, INC.

13 POINT SURFACE USE PLAN

FOR WELL

CRUISER FEDERAL H

35-15

LOCATED IN

SW 1/4, SE 1/4

SECTION 35, T 11 S, R 23 E, S.L.B.&M.

UINTAH COUNTY, UTAH

LEASE NUMBER: UTU-73694

SURFACE OWNERSHIP: FEDERAL

1. Existing Roads

To reach the Freedom Energy Inc., Hanging Rock Federal H 31-15 well location, in Section 35, T 11 S, R 23 E, from Bonanza, Utah:

Starting in Bonanza, Utah proceed south on the paved road for 4 miles. Turn south (left) on the Book cliffs road (dirt road). Proceed south 3.9 miles to the Greeks Corrals. Turn west (right) at the fork in the road. Proceed 8.3 miles to the Asphalt Wash sign. Stay to the south (left) of the sign. Proceed .7 miles to the Rainbow sign. Stay to the west (right) of the sign. This is also called the Kings Wells road. Proceed 7.8 miles to the "Y" in the road. Stay right. Proceed .5 miles and turn right (north). Proceed 1 miles to the proposed location and access road..

All roads to the proposed access road are State or County maintained roads.

Please see the attached map for additional details.

2. Planned access road

Approximately 4,200 feet of new road construction will be required.

The proposed road has been staked.

The road will be built to the following standards:

A) Approximate length	4,200 Ft.
B) Right of Way width	30 Ft.
C) Running surface	18 Ft.
D) Surfacing material	Native soil
E) Maximum grade	8%
F) Fence crossing	None
G) Culvert	None
H) Turnouts	None
I) Major cuts and fills	None
J) Road flagged	Yes
K) Access road surface ownership	Federal and State of Utah school trust lands
L) All new construction on lease	Yes

Newly constructed roads will be built using native soils from borrow pits on either or both sides of the road. The road will be crowned and ditched. Ditches will be

constructed along either side where it is determined necessary to handle run off and minimize the possibility of erosion.

Please see the attached location plat for additional details.

No right of way will be required. Access from the Uintah County road will be on lease.

All travel will be confined to existing access road right of ways.

Access road and surface disturbing activities will conform to standards outlined in the USGS publication (1978) surface operating standards for oil and gas development.

3. Location of existing wells

The following wells are located within one mile radius of the location site.

A) Producing wells	None
B) Water wells	None
C) Abandoned wells	None
D) Temporarily abandoned wells	None
E) Disposal wells	None
F) Drilling wells	None
G) Shut in wells	None
H) Injection wells	None
I) Monitoring or observation wells	None

Please see the attached map for additional details.

4. Location of tank batteries, production facilities, and production gathering service lines.

All production facilities are to be contained within the proposed location site. Please see the attached plat plan for a typical gas well separator installation and well site piping.

All permanent (on site for more than six months or longer) structures constructed or installed will be painted a desert brown color. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded. The required paint color is Desert Brown (10 YR 6/4).

All tanks will be surrounded by a dike of sufficient capacity to contain the storage capacity of the largest tank in the battery. The integrity of the dike will be maintained.

The operator will adhere to all site security guidelines and regulations identified in 43 cfr 3126.7.

All off lease storage, off lease measurement, comingling on lease or off lease, of production, will have prior written approval from the authorized officer.

A. Pipe Line

A proposed surface gas line has been staked on the ground (yellow flagging). The proposed line is approximately 4200 feet long. The line will be constructed east of the proposed location. The line will tie in to a proposed tap in a 8" line. There will be no additional surface disturbances required for the installation of a gathering line. The line will be a 2 or 4" steel line. The line will be welded on the pad and access road. After welding the line will be pulled with a small cat to the tie in.

The gas meter run will be located within 500' of the well head. The gas line will be buried or anchored down from the well head to the meter. Meter runs will be housed and/or fenced.

The gas meter will be calibrated and the tank strapped in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The authorized officer will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration report will be submitted to the BLM's Vernal District office. All measurement facilities will conform with API and AGA standards for gas and liquid hydrocarbon measurement.

5. Location and type of water supply

Water for drilling and cementing the subject well will be hauled by truck from Evacuation Creek permit # 49-1595. The distribution point is in Section 7, T11S, R25E. A second location may be used it would be United Utilities water station in Section 13, T11S, R23E. Water for completion will come from the same supply or Vernal City.

6. Source of construction materials

All construction material for this location site and access road shall be borrow material accumulated during construction of the location site and access road. Additional road gravels or pit lining material will be obtained from private sources.

7. Methods for handling waste disposal

A) Pit construction and liners:

The reserve pit will be approximately 10 ft. deep and most of the depth shall be below the surface of the existing ground. Please see the attached plat for details.

The reserve pit will not be lined. Unless the pit is blasted or soil conditions warrant a pit liner.

The reserve pit will not be used to store water for drilling. A semi-closed system will be used to drill the well. All fresh water for drilling will come from a frac tank placed on location and from the rig tank. The pit will be used to hold non-flammable materials such as cuttings, salt, drilling fluids, chemicals, produced fluids, etc.

B) Produced fluids:

Produced water will be confined to the reserve pit, or if deemed necessary, a storage tank for a period not to exceed 90 days after initial production. During the 90 day period an application for approval for a permanent disposal method and location will be submitted to the authorized officer.

C) Garbage:

A trash cage fabricated from expanded metal will be used to hold trash on location and will be removed to an authorized land fill location.

D) Sewage:

A portable chemical toilet will be supplied for human waste.

E) Site clean-up

After the rig is moved off the location the well site area will be cleaned and all refuse removed.

8. Ancillary facilities

There are no ancillary facilities planned for at this time and none are foreseen for the future.

9. Well-site layout

Location dimensions are as follow:

A)	Pad length	325 ft.
B)	Pad width	155 ft.
C)	Pit depth	10 ft.
D)	Pit length	180 ft.
E)	Pit width	50 ft.
F)	Max cut	25.1 ft.
G)	Max fill	7.4 ft.
H)	Total cut yds	11080 cu. yds.
I)	Pit location	west side
J)	Top soil location	north and east side
K)	Access road location	south side
L)	Flare pit	north corner

Please see the attached location diagram for additional details.

Please note: The trees on the west side off the location need to stay in place. The trees and rocks will be used as a screen for eagles nests on the cliffs.

A silt catchment will be constructed south and east of the location. The dirt contractor will contact the BLM before construction of the location starts. The BLM will locate the dam site at that time. The dam will be 60-70' wide, 12' high with a spill way on one side.

All pits will be fenced according to the following minimum standards:

- A) Thirty nine inch net wire shall be used with at least one strand of wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.
- B) The net wire shall be no more than 2 inches above the ground. The barbed wire shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.

- C) Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- D) Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 ft.
- E) All wire shall be stretched by using a stretching device before it is attached to the corner posts.

10. Plans for restoration of the surface

Prior to construction of the location, the top 6 inches of soil material will be stripped and stockpiled. This will amount to approximately 1,000 cubic yards of material. Placement of the top soil is noted on the attached location plat. When all drilling and completion activities have been completed the unused portion of the location (the area outside the dead men.) will be recontoured and the topsoil spread over the disturbed area.

The dirt contractor will be provided with an approved copy of the surface use plan prior to construction activities.

Any drainage rerouted during the construction activities shall be restored to its original line of flow or as near as possible.

All disturbed areas will be recontoured to the approximate natural contours. Prior to back filling the pit the fences around the reserve pit will be removed.

The reserve pit will be reclaimed within 90 days of well completion. If the reserve pit has not dried sufficiently to allow back filling, an extension on the time requirement for back filling the pit will be requested. Once reclamation activities have begun, they shall be completed within 30 days.

After the reserve pit has been reclaimed, no depressions in the soil covering the reserve pit will be allowed. The objective is to keep seasonal rain fall and run off from seeping into the soil used to cover the reserve pit. Diversion ditches and water bars will be used to divert run off as needed.

When restoration activities have been completed, the location site and new access road cuts and shoulders shall be reseeded. Prior to reseeding, all disturbed areas will be scarified and left with a rough surface.

A) Seeding dates:

After September 15, and before the ground freezes.

Seed will be broadcast or drilled at the time specified by the BLM. If broadcast, a harrow or some other implement will be dragged over the seeded area to assure seed coverage and the seed mixture will be proportionately larger (double the lbs. per acre).

At such time as the well is plugged and abandoned the operator will submit a surface reclamation plan to the surface management agency for prescribed seed mixture and reseeding requirements.

11. Surface ownership:

Access road	Federal and State of Utah
Location	Federal
Pipe line	Federal and State of Utah

The State of Utah School Trust Lands has been contacted and arrangements have been made for access on the State School Trust Lands.

12. Other information

A) Vegetation:

The vegetation coverage is slight. The majority of the existing vegetation consists of sage brush. Rabbit brush, bitter brush and indian rice grass are also found on the location.

B) Dwellings:

There are no dwellings, or other facilities within a one mile radius of the location.

C) Archeology:

The location has not been surveyed, as soon as the snow melts an archeological survey will be conducted and the reports sent to your office.

If, during operations, any archaeological or historical sites, or any objects of antiquity (subject to the antiquities act of June 8, 1906) are discovered, all operations which would affect such sites will be suspended and the discovery reported promptly to the surface management agency.

D) Water:

The nearest water is in the bottom of Asphalt Wash located 3 miles to the north.

E) Chemicals:

No pesticides, herbicides or other possible hazardous chemicals will be used without prior application.

F) Notification:

a) Location construction

At least forty eight (48) hours prior to construction of location and access roads

b) Location completion

Prior to moving on the drilling rig.

c) Spud notice

At least twenty-four (24) hours prior to spudding the well.

d) Casing string and cementing

At least twenty-four (24) hours prior to running casing and cementing all casing strings.

e) BOP and related equipment tests

At least twenty-four (24) hours prior to initialing pressure tests.

f) First production notice

With in five (5) business days after the new well begins, or production resumes after well has been off production for more than ninety 90 days.

H) Flare pit

The flare pit will be located a minimum of 30 feet from the reserve pit fence and 100 feet from the bore hole on the south and east side of the location, between points 5 and 6 on the location plat. All fluids will be removed from the pit within 48 hours of occurrence.

12. Lessees or Operator's representative and certification

A) Representative

Name:

William A. Ryan

Address:

Rocky Mountain Consulting
350 South, 800 East
Vernal, Utah 84078

Telephone:

Office 801-789-0968

Fax 801-789-0970

Cellular 801-823-6152

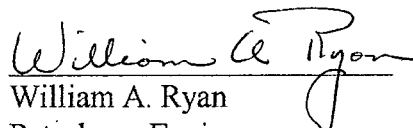
All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, onshore oil and gas orders, the applicable laws, regulations, and any applicable notices to lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

This drilling permit will be valid for a period of one year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

B) Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill-site and access route, that I am familiar with the conditions which presently exist, that the statements made in this plan are, to the best of my knowledge and belief, true and correct, and that the work associated with the operation proposed herein will be performed by Freedom Energy, Inc. and its contractors and subcontractors in conformity with this plan and terms and conditions with this plan and the terms and conditions under which it is approved.

Date Feb. 21, 1997


William A. Ryan
Petroleum Engineer
Rocky Mountain Consulting

Onsite Date: January 28, 1997

Participant on joint inspection:

William Ryan

Rocky Mountain Consulting

Byron Tolman

BLM

Steve Matsen

BLM

Steve Strong

BLM

Statement of use of Hazardous Material

No chemical(s) from the EPA's Consolidated list of Chemicals subject to Reporting Under Title III of the Superfund Amendments and Reauthorization, Act (SARA) of 1986. will be used, produced, transported, stored, disposed, or associated with the proposed action. No extremely hazardous substances, as defined in 40 cfr 355, will be used, produced, stored, transported, disposed, or associated with the proposed action.

If you require additional information please contact:

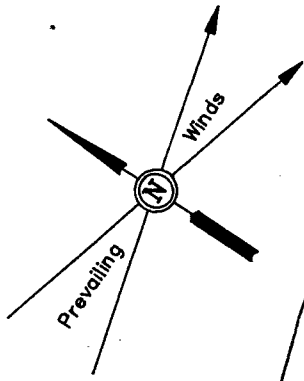
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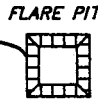
FREEDOM ENERGY, INC.

LOCATION LAYOUT FOR

HANGING ROCK FEDERAL "H" #35-15
SECTION 35, T11S, R23E, S.L.B.&M.
585' FSL 2112' FEL



SCALE: 1" = 50'
DATE: 01-21-97
Drawn By: D.R.B.



Approx.
Top of
Cut Slope

El. 50.4'
C-20.7'
(btm. pit)

El. 43.2'
C-3.5'

El. 54.8'
C-25.1'
(btm. pit)

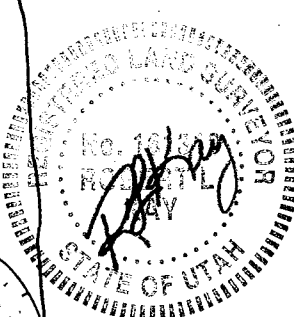
C-7.0'
El. 46.7'

F-3.3'
El. 36.4'

F-0.3'
El. 39.4'

Reserve Pit Backfill
& Spoils Stockpile

Sta. 3+25



PIPE RACKS

C-3.9'
El. 43.6'

C-0.9'
El. 40.6'

Sta. 1+50

F-7.4'
El. 32.3'

Topsoil Stockpile

Approx.
Toe of
Fill Slope

Sta. 0+00

Sta. 0+10

Round Corners
as Needed

F-4.6'
El. 35.1'

C-3.2'
El. 42.9'

Proposed Access
Road

Elev. Ungraded Ground at Location Stake = **5940.6'**

Elev. Graded Ground at Location Stake = **5939.7'**

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (801) 789-1017

Please Note: Do not remove rock & trees
on this side of the location. The trees
will screen the location from eagle
nests on the cliffs.

Pit Capacity With
2' of Freeboard
is 9,710 Bbls. ±

10' WIDE BENCH

RESERVE PITS
(10' Deep)

Slope = 1:1

TRASH

MUD TANKS

RIG

DOG HOUSE

WATER

PUMP

MUD SHED

HOPPER

POWER

TOOLS

FUEL

TOILET

TRAILER

FUEL

STORAGE
TANK

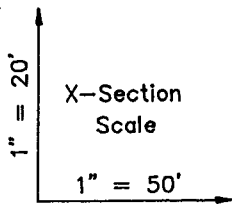
FREEDOM ENERGY, INC.

TYPICAL CROSS SECTIONS FOR

HANGING ROCK FEDERAL "H" #35-15

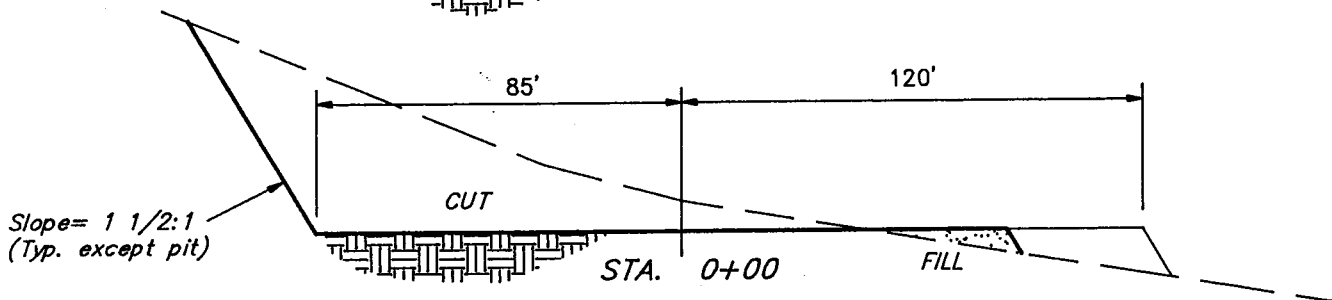
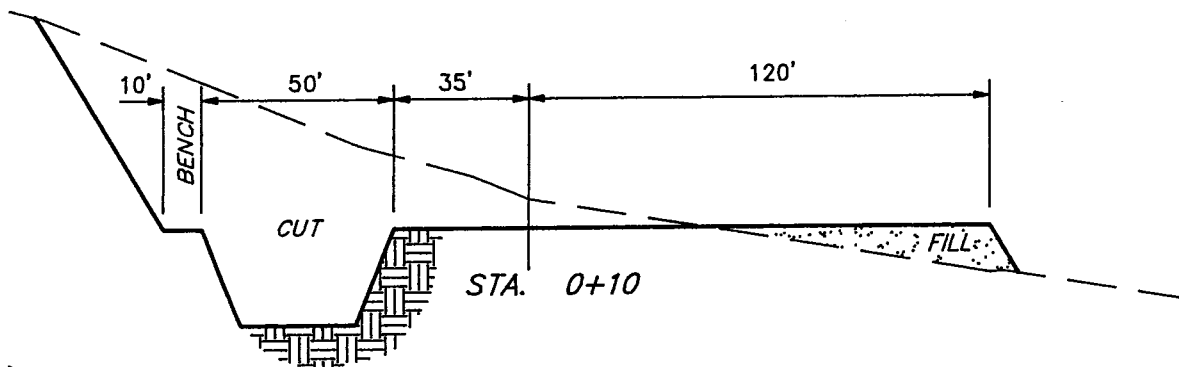
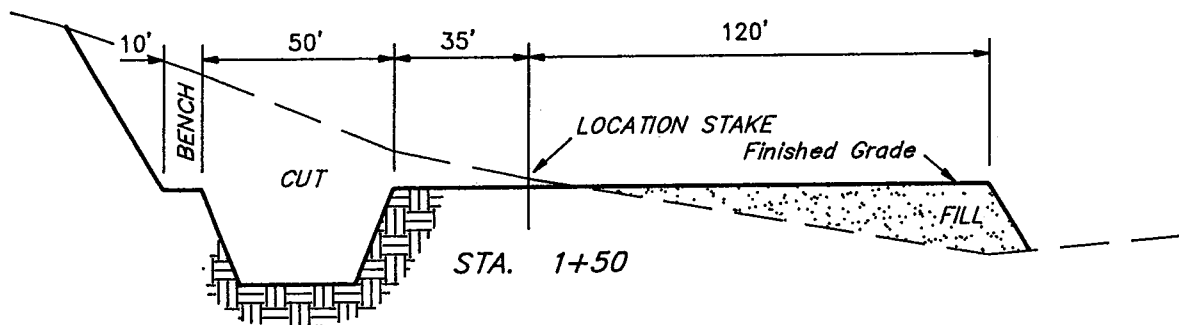
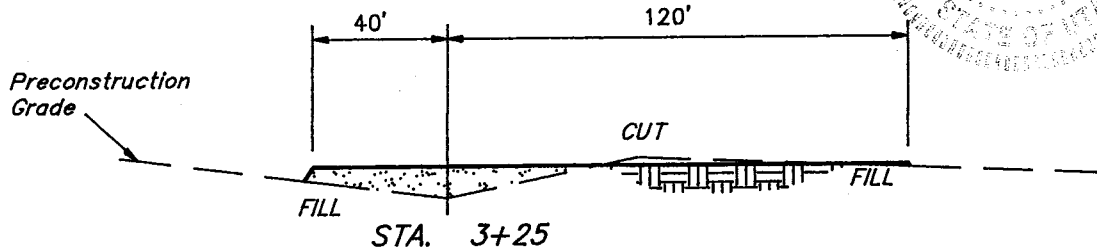
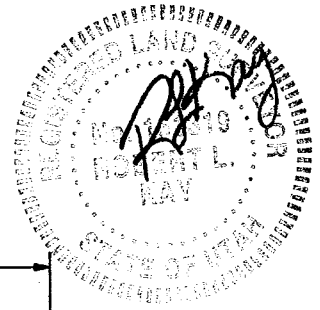
SECTION 35, T11S, R23E, S.L.B.&M.

585' FSL 2112' FEL



DATE: 01-21-97

Drawn By: D.R.B.

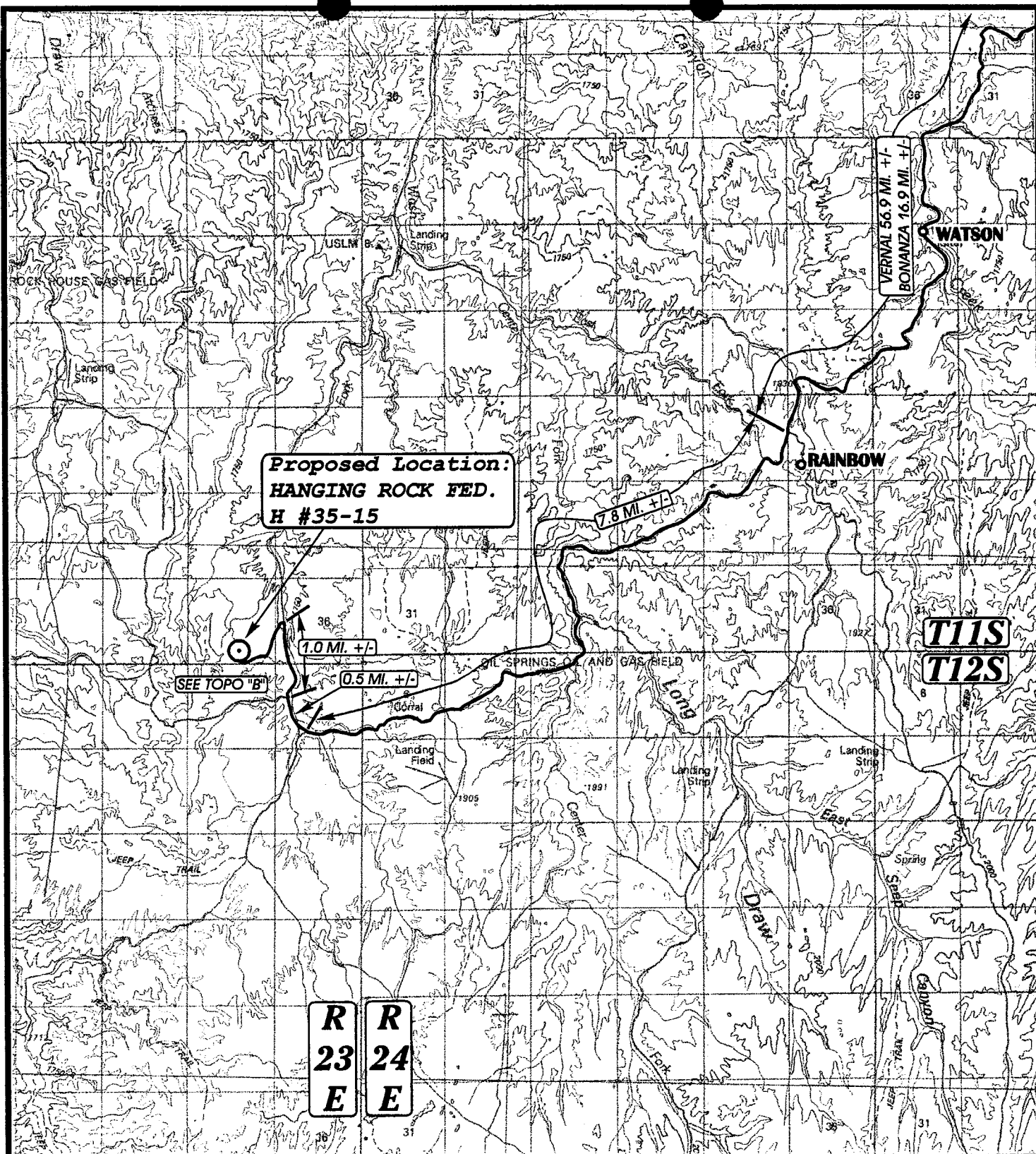


APPROXIMATE YARDAGES

(6") Topsoil Stripping	= 1,100 Cu. Yds.
Remaining Location	= 9,980 Cu. Yds.
TOTAL CUT	= 11,080 CU.YDS.
FILL	= 3,620 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	= 7,270 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,360 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 4,910 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (801) 789-1017



UELS

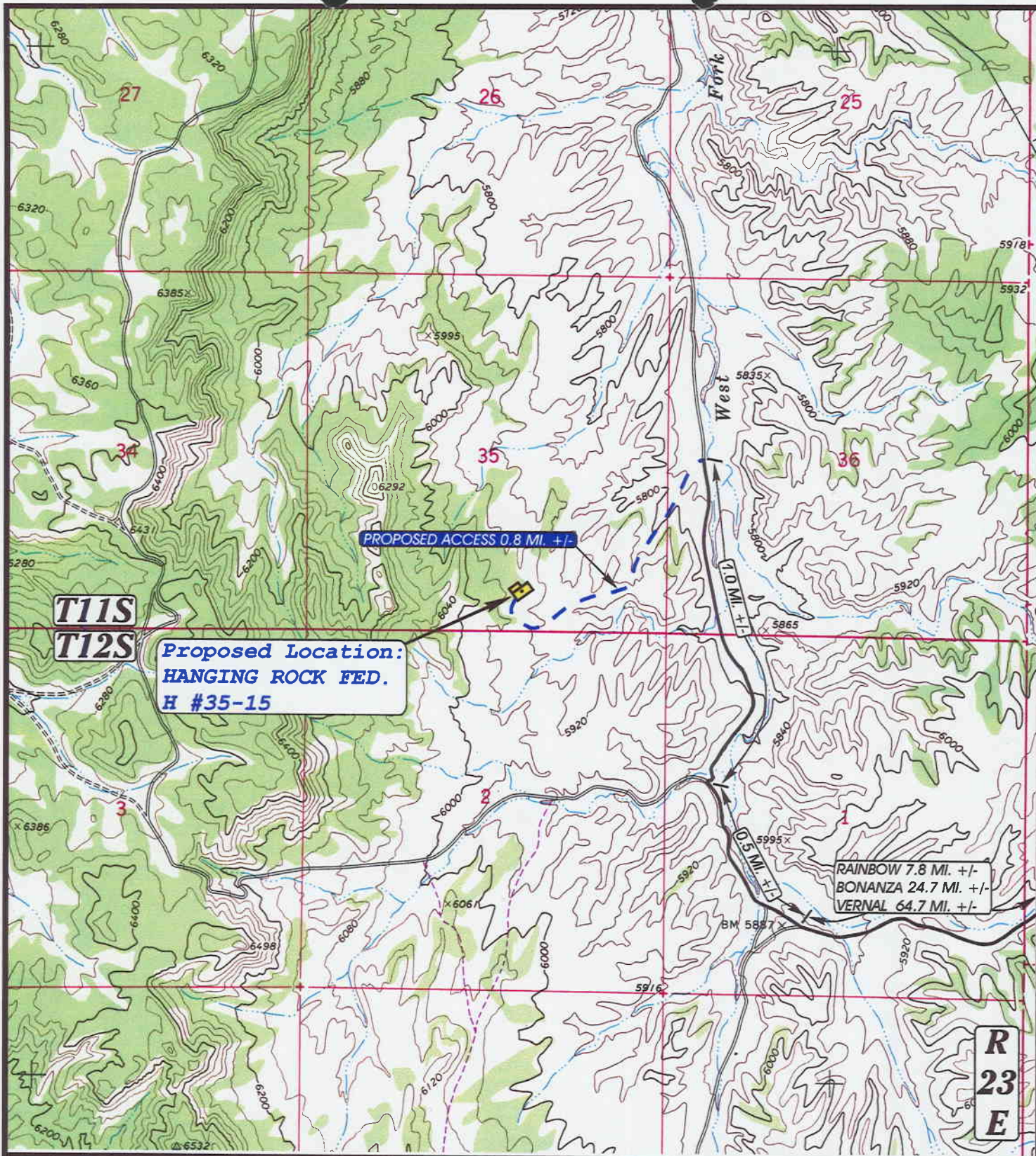
**TOPOGRAPHIC
 MAP "A"**

DATE: 1-20-97
 Drawn by: J.L.G.



FREEDOM ENERGY, INC.

HANGING ROCK FED. H #35-15
 SECTION 35, T11S, R23E, S.L.B.&M.
 585' FSL 2112' FEL



UEL_S

TOPOGRAPHIC
MAP "B"

DATE: 1-20-97
Drawn by: J.L.G.

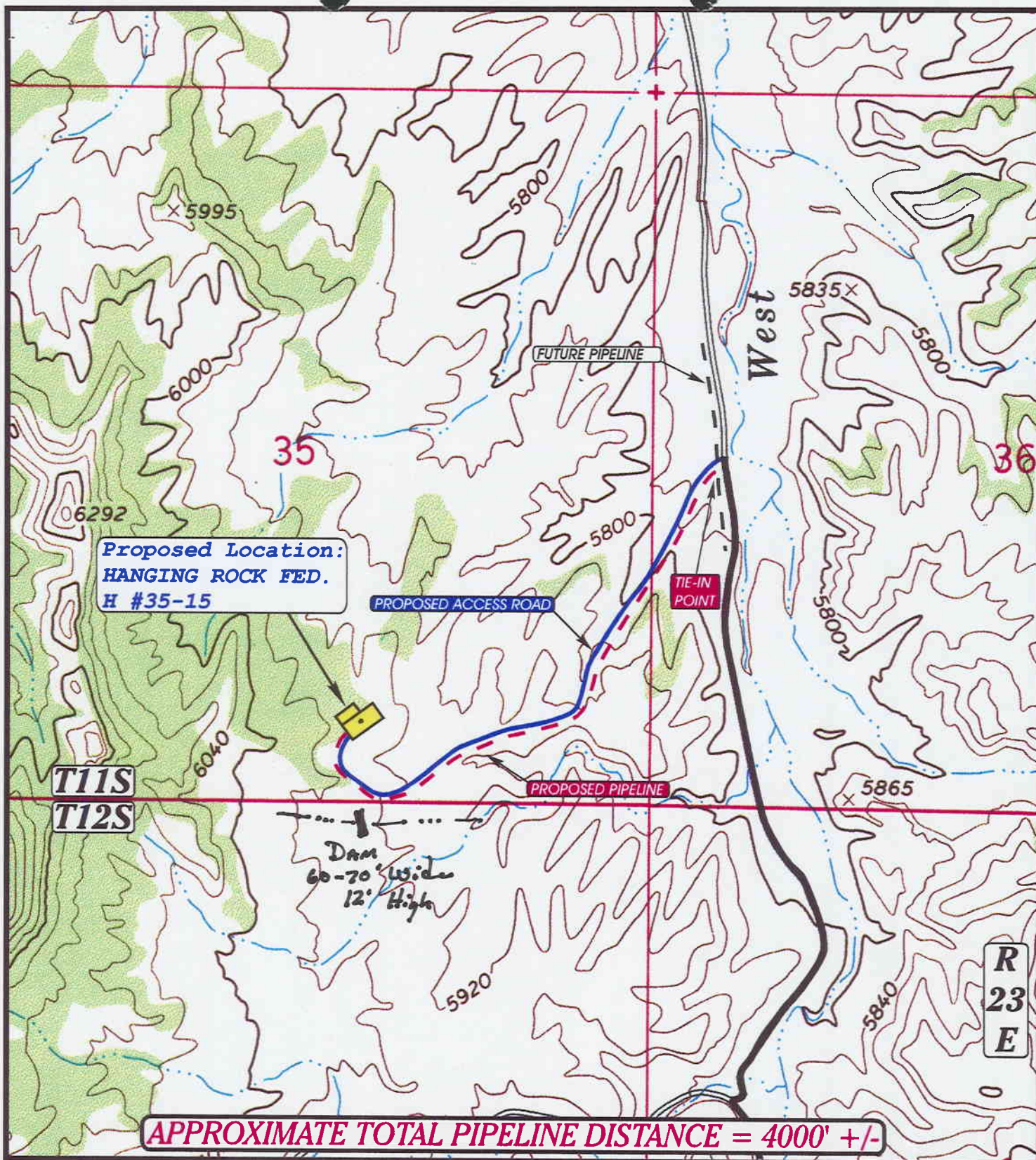


FREEDOM ENERGY, INC.

HANGING ROCK FED. H #35-15
SECTION 35, T11S, R23E, S.L.B.&M.
585' FSL 2112' FEL

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (801) 789-1017

SCALE: 1" = 2000'



UELS

**TOPOGRAPHIC
MAP "C"**

--- Existing Pipeline
- - - Proposed Pipeline



SCALE: 1" = 1000'

FREEDOM ENERGY, INC.

**HANGING ROCK FED. H #35-15
SECTION 35, T11S, R23E, S.L.B.&M.**

DATE: 1-20-97
Drawn by: J.L.G.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (801) 789-1017

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 03/28/97

API NO. ASSIGNED: 43-047-32853

WELL NAME: HANGING ROCK FEDERAL H 35-15
OPERATOR: FREEDOM ENERGY INC (N3285)

PROPOSED LOCATION:

SWSE 35 - T11S - R23E
SURFACE: 0585-FSL-2112-FWL
BOTTOM: 0585-FSL-2112-FWL
UINTAH COUNTY
WILDCAT FIELD (001)

LEASE TYPE: FED
LEASE NUMBER: UTU - 73694

PROPOSED PRODUCING FORMATION: WSTC

INSPECT LOCATION BY: / /

TECH REVIEW	Initials	Date
Engineering		
Geology		
Surface		

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Federal ☒ State ☐ Fee ☐
(Number UT 1030)
☒ Potash (Y/N)
☒ Oil shale (Y/N)
☒ Water permit
(Number 49-1595)
☒ RDCC Review (Y/N)
(Date: _____)

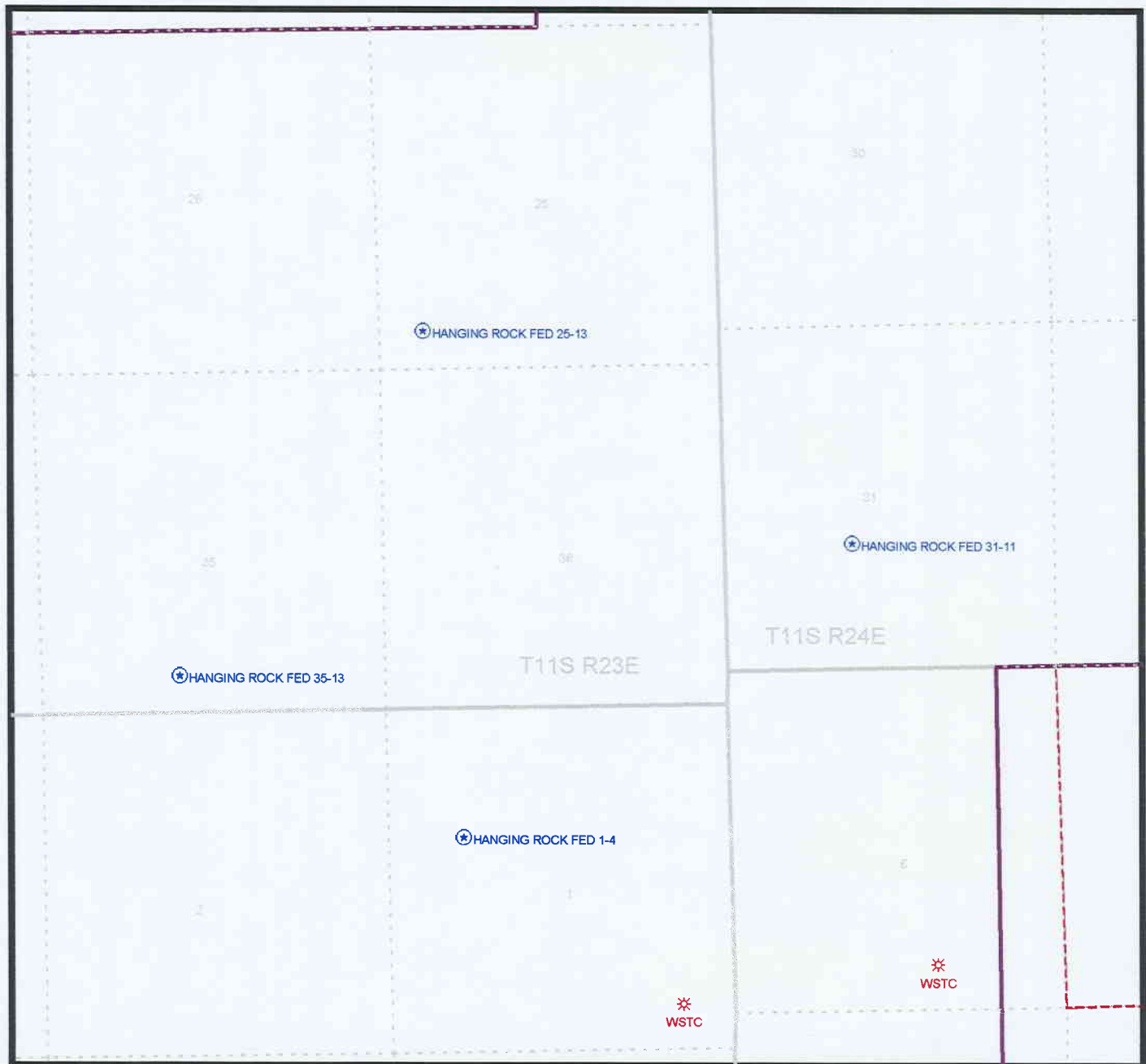
LOCATION AND SITING:

☒ R649-2-3. Unit: HANGING ROCK
____ R649-3-2. General.
____ R649-3-3. Exception.
____ Drilling Unit.
____ Board Cause no: _____
____ Date: _____

COMMENTS: _____

STIPULATIONS: _____

OPERATOR: FREEDOM ENERGY (N3285)
FIELD: UNDESIGNATED (N002)
SEC, TWP, RNG: 25,35,31,1 T11 & 12S, R23 & 24 E
COUNTY: UINTAH
UAC: R649-3-2



PREPARED:
DATE: 31 -MAR-97



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

1594 West North Temple, Suite 1210

Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

April 25, 1997

Freedom Energy, Inc.
1050 17th Street, Suite 710
Denver, Colorado 80265

Re: Hanging Rock Federal H 35-15 Well, 585' FSL, 2112' FWL,
SW SE, Sec. 35, T. 11 S., R. 23 E., Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-32853.

Sincerely,

Lowell P. Braxton
Deputy Director

lwp

Enclosures

cc: Uintah County Assessor

Bureau of Land Management, Vernal District Office

Operator: Freedom Energy, Inc.
Well Name & Number: Hanging Rock Federal H 35-15
API Number: 43-047-32853
Lease: UTU-73694
Location: SW SE Sec. 35 T. 11 S. R. 23 E.

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. Notification Requirements

Notify the Division within 24 hours following spudding the well or commencing drilling operations. Contact Jimmie Thompson at (801) 538-5336.

Notify the Division prior to commencing operations to plug and abandon the well. Contact John R. Baza (801) 538-5334 or Mike Hebertson at (801) 538-5333.

3. Reporting Requirements

All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☐

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☐

GAS
WELL ☒

OTHER

SINGLE
ZONE ☐

MULTIPLE
ZONE ☒

2. NAME OF OPERATOR

Freedom Energy, Inc.

3. ADDRESS OF OPERATOR

1050 - 17th St., Suite #710, Denver, Co 80265 303-592-3022

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface

585' FSL, 2112' FWL, SW1/4, SE1/4, Sec. 35, T11S, R23E

At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

18.4 MILES SOUTH OF BONANZA, UT

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

585'

16. NO. OF ACRES IN LEASE

10,092.71

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

8500'

19. PROPOSED DEPTH

4632'

20. ROTARY OR CABLE TOOLS

ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

5941'

22. APPROX. DATE WORK WILL START*

March 15, 1997

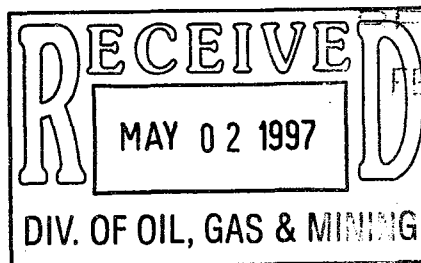
23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4	9 5/8	36	300	TO SURFACE
7 7/8	4 1/2	11.6	T.D.	CMT TOP TO COVER THE OIL SHALE

OPERATOR REQUESTS PERMISSION TO DRILL THE SUBJECT WELL
PLEASE SEE THE ATTACHED 10 POINT AND THE 13 POINT SURFACE
USE PLAN.

IF YOU REQUIRE ADDITIONAL INFORMATION PLEASE CONTACT:

WILLIAM A. RYAN
350 S., 800 E.
VERNAL, UTAH
801-789-0968
801-823-6152



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

WILLIAM A. RYAN

PETROLEUM ENGINEER

Feb. 21, 1997

24.

SIGNED

William A. Ryan

TITLE

DATE

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Assistant Field Manager

Mineral Resources

DATE

APR 25 1997

APPROVED BY

Amy F. Kugler

TITLE

CONDITIONS OF APPROVAL, IF ANY

NOTICE OF APPROVAL

*See Instructions On Reverse Side

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Freedom Energy, Inc.

Well Name & Number: Hanging Rock Fed. H 35-15

API Number: 43-047- 32853

Lease Number: U-73694

Location: SWSE Sec. 35 T. 11 S. R. 23 E

NOTIFICATION REQUIREMENTS

- | | | |
|---------------------------------|---|---|
| Location Construction | - | at least forty-eight (48) hours prior to construction of location and access roads. |
| Location Completion | - | prior to moving on the drilling rig. |
| Spud Notice | - | at least twenty-four (24) hours prior to spudding the well. |
| Casing String and Cementing | - | at least twenty-four (24) hours prior to running casing and cementing all casing strings. |
| BOP and Related Equipment Tests | - | at least twenty-four (24) hours prior to initiating pressure tests. |
| First Production Notice | - | within five (5) business days after new well begins, or production resumes after well has been off production for more than ninety (90) days. |

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Orders, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative by the operator to insure compliance.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

A. DRILLING PROGRAM

1. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered

Report **ALL** water shows and water-bearing sands to Tim Ingwell of this office **prior to setting the next casing string or requesting plugging orders**. Faxed copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit to this office any water analyses conducted.

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a 3M system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

If an air compressor is on location and is being utilized to provide air for the drilling medium while drilling, the special drilling requirements in Onshore Oil and Gas Order No. 2, regarding air or gas drilling shall be adhered to. If a mist system is being utilized then the requirement for a deduster shall be waived.

3. Casing Program and Auxiliary Equipment

If conductor pipe is set it will be cemented to surface. If drive pipe is used it will be pulled prior to cementing surface casing.

As a minimum, the usable water shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the top of the Mahogany Oil Shale identified at \pm 601 ft.. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

No chromate additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

5. Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

All Drill Stem tests (DST) shall be accomplished during daylight hours, unless specific approval to start during other hours is obtained from the AO. However, DSTs may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e., lighting which is adequate for visibility and vaporproof for safe operations). Packers can be released, but tripping should not begin before daylight unless prior approval is obtained from the AO.

A cement bond log (CBL) will be run from the production casing shoe to \pm 401 ft. and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the AO.

6. Notifications of Operations

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

The Vernal District Office shall be notified, during regular work hours (7:45 a.m.-4:30 p.m., Monday through Friday except holidays), at least 24 hours **prior** to spudding the well.

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than five (5) days following the date on which the well is placed on production.

Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

A schematic facilities diagram as required by 43 CFR 3162.7-5 (b.9. d.), and shall be submitted to the appropriate District Office within sixty (60) days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (b. 4).

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

7. Other Information

All loading lines will be placed inside the berm surrounding the tank battery.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the AO.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted following initial installation and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approval or notification is necessary, please contact one of the following individuals:

Wayne Bankert (801) 789-4170
Petroleum Engineer

Ed Forsman (801) 789-7077
Petroleum Engineer

Jerry Kenczka (801) 789-1190
Petroleum Engineer

BLM FAX Machine (801) 781-4410

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

- Unused fracturing fluids or acids
- Gas plant cooling tower cleaning wastes
- Painting wastes
- Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spent solvents, spilled chemicals, and waste acids
- Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste
- Refinery wastes
- Liquid and solid wastes generated by crude oil and tank bottom reclaimers
- Used equipment lubrication oils
- Waste compressor oil, filters, and blowdown
- Used hydraulic fluids
- Waste solvents
- Waste in transportation pipeline-related pits
- Caustic or acid cleaners
- Boiler cleaning wastes
- Boiler refractory bricks
- Incinerator ash
- Laboratory wastes
- Sanitary wastes
- Pesticide wastes
- Radioactive tracer wastes
- Drums, insulation and miscellaneous solids.

SURFACE USE PROGRAM

-Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, (1989).

The road shall be constructed/upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Construction/upgrading shall include ditching, draining, and crowning (2 to 3%). Graveling or capping the roadbed will be required as necessary to provide a well constructed safe road. Prior to construction/upgrading, the proposed road surface or existing road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right-of-way will not be allowed. Should mud holes develop, they shall be filled in to prevent detours. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. When snow is removed from the road during the winter months, the snow should be pushed outside of the burrow ditches and the turn outs should be kept clear so that when the snow melts the water will be channeled away from the road.

-All permanent (on site for more than six months or longer) structures constructed or installed will be painted a juniper green color instead of desert brown as mentioned in the APD.

-A sign should be installed at the junction of the well access road stating that the road is a well service road and ends in 0.8 mile. The sign can be a simple carsonite post type sign.

-Because of the existence of a golden eagle nests within 1/2 mile, no construction or drilling will be allowed between Feb. 1 and May 31. If either of the nests are active, construction or drilling will be postponed until July 15.

-The ridgeline immediately west of the location should be left in tact as much as possible to act as a screen between the nests and the well location.

-The operator will control noxious weeds along rights-of-way for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds may be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land it is required that a Pesticide Use Proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.

-Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any

other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.).

TRANSACTION REPORT

P.01

DEC-18-97 THU 03:30 PM

SEND (M)

DATE	START	RECEIVER	TX TIME	PAGES	TYPE	NOTE	M#	DP
DEC-18	03:29 PM	5318468	45"	1	SEND	(M) OK	037	

TOTAL

45S PAGES: 1

Dec-17-97 01:06P Freedom Energy, Inc. 303-592-2988

P.02
4004



43-047-32853

December 17, 1997

Bureau of Land Management
324 South State Street
Salt Lake City, Utah 84111

Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

Re: Release and Waiver of Confidentiality

Gentlemen:

Please be advised that Brent A. Bohman and other members of the law firm of Pruitt, Gushce & Bachtell are hereby authorized to review and copy any records in your possession pertaining to Freedom Energy, Inc.'s interests within Township 11 South, Ranges 22, 23, and 24 East, and Township 12 South, Ranges 23 and 24 East, in Uintah County. For purposes of this release and waiver of confidentiality, an executed facsimile copy of this letter should be



December 17, 1997

Bureau of Land Management
324 South State Street
Salt Lake City, Utah 84111

Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
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Should you have any questions or concerns, please do not hesitate to contact me at (303)592-3022, ext. 303.

Very truly yours,

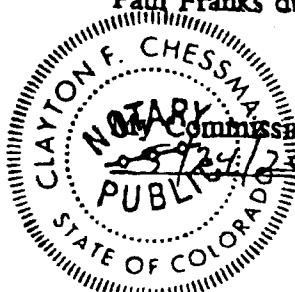
FREEDOM ENERGY, INC.

Paul Franks

Paul Franks
Vice President

STATE OF COLORADO)
COUNTY OF Denver) ss.

On the 17th day of December, 1997, personally appeared before me, Paul Franks, and after being by me duly sworn did say that he is the Vice President of Freedom Energy, Inc. and that said instrument was signed on behalf of said corporation by authority of its by-laws and said Paul Franks duly acknowledged to me that said corporation executed the same.



Clayton F. Chessman
Notary Public
Residing at: Denver, CO

(June 1990)

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reenter a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals

FORM APPROVED

Budget Bureau No. 1004-0135

Expires: March 31, 1993

5. Lease Designation and Serial No.

U-73694

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

UTU-73518X

8. Well Name and No.

HANGING ROCK FED. H 35-15

9. API Well No.

43-047-32853

10. Field and Pool, or Exploratory Area

Wildcat

11. County or Parish, State

Uintah County, Utah

SUBMIT IN TRIPLICATE

1. Type of Well

☐Oil
Well☒Gas
Well☐

Other

2. Name of Operator

FREEDOM ENERGY, INC.

3. Address and Telephone No.

1050 17TH. ST. STE. 710 DENVER, CO. 80265 (303) 592-3022

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

585' FSL, 2112' FEL, SW/SE SEC.35-T11S-R23E

12. CHECK APPROPRIATE BOX(es) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒

Notice of Intent

☐

Subsequent Report

☐

Final Abandonment Notice

TYPE OF ACTION

☐

Abandonment

☐

Recompletion

☐

Plugging Back

☐

Casing Repair

☐

Altering Casing

☒

Other CHANGE OF OPERATOR

☐

Change of Plans

☐

New Construction

☐

Non-Routine Fracturing

☐

Water Shut-Off

☐

Conversion to Injection

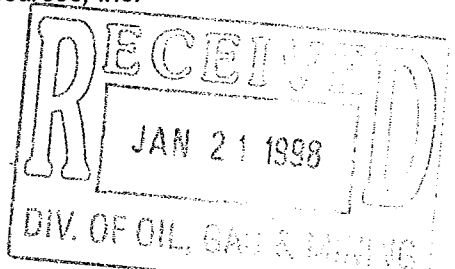
☐

Dispose Water

(Note: Report results of multiple completion on Well
Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Please be advised that Rosewood Resources, Inc., Ste. 500, 100 Crescent Court, Dallas, Texas, 75201, is considered to be the operator of the Hanging Rock Fed. H 35-15, SW/SE Sec.35-T11S-R23E; Lease # U-73694: Uintah County, Utah; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by Rosewood Resources, Inc.
Bond # UT-0627



14. I hereby certify that the foregoing is true and correct

Signed

Paul Franko

Title Vice-President

Date

01/01/98

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

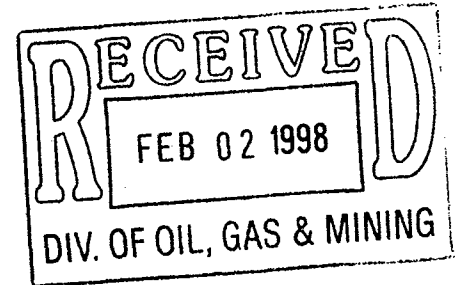
*See Instructions on Reverse Side



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155



IN REPLY REFER TO
UT-931

January 30, 1998

Rosewood Resources, Inc.
Suite 500
100 Crescent Court
Dallas, Texas 75201

Re: Hanging Rock Unit
Uintah County, Utah

Gentlemen:

On January 28, 1998, we received an indenture dated January 21, 1998, whereby Freedom Energy, Inc. resigned as Unit Operator and Rosewood Resources, Inc. was designated as Successor Unit Operator for the Hanging Rock Unit, Uintah County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective January 30, 1998. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under Hanging Rock Unit Agreement.

Your nationwide (Montana) oil and gas bond No. 0627 will be used to cover all operations within the Hanging Rock Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ Robert A. Henricks

Robert A. Henricks
Chief, Branch of Fluid Minerals

Enclosure

bcc: District Manager - Vernal (w/enclosure)
~~Division of Oil, Gas & Mining~~
Minerals Adjudication Group U-932
File - Hanging Rock Unit (w/enclosure)
MMS - Data Management Division
Agr. Sec. Chron
Fluid Chron

U-931:TAThompson:tt:1/30/98

Well Status Report
Utah State Office
Bureau of Land Management

Lease	Api Number	Well Name	QTR	Section	Township	Range	Well Status	Operator
** Inspection Item: UTU73518A								
UTU66408	4304732603	HANGING ROCK 24-13	SWSW	24	T11S	R23E PGW		FREEDOM ENERGY INCORPORATED
** Inspection Item: UTU73518B								
UTU57455	4304732748	HANGING ROCK 12-4	NWNW	12	T12S	R23E PGW		FREEDOM ENERGY INCORPORATED
UTU66426	4304732751	HANGING ROCK 7-6	SESW	7	T12S	R24E PGW		FREEDOM ENERGY INCORPORATED
UTU57455	4304732679	HANGING ROCK I 1-16	SESE	1	T12S	R23E PGW		FREEDOM ENERGY INCORPORATED
UTU57455	4304732871	I 1-14	SESW	1	T12S	R23E PGW		FREEDOM ENERGY INCORPORATED
** Inspection Item: UTU73518X								
UTU01252A	4304732854	HANGING ROCK 31-11	NESW	31	T11S	R24E ABD		FREEDOM ENERGY INCORPORATED Pr'd 5/97

*980204 Change includes wells in drilling status (see attached list). BLM does not list them on this form. however change applies to these wells also. (per Terese Thompson/BLM).
Jec

HANGING ROCK UNIT

Uintah County, Utah

EFFECTIVE: NOVEMBER 22, 1994

- UNIT AGREEMENT (UTU73518X)
- ▨ INITIAL WASATCH-MESAVERDE PA "A"
- ▨ INITIAL WASATCH-MESAVERDE PA "B"

18,232.55 ACRES

23E

11S

12S

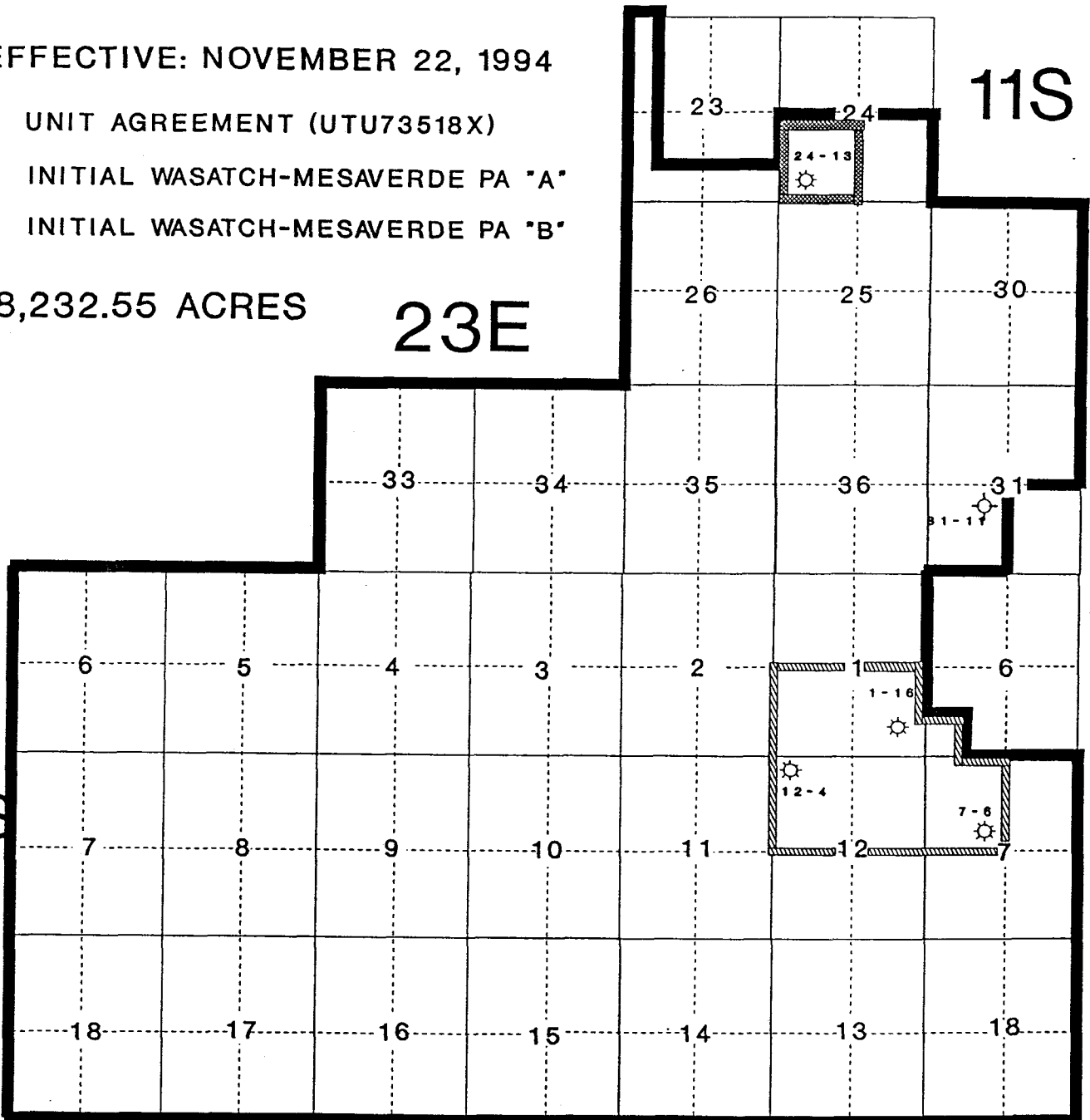
24E

WSTC-MSVD "A"
ALLOCATION

FEDERAL 100%
160.00 Acres

WSTC-MSVD "B"
ALLOCATION

FEDERAL 100%
826.76 Acres



**ROSEWOOD
RESOURCES**

February 5, 1998

Lisha Cordova
Utah Dept. of Natural Resources
Division of Oil, Gas, and Mining
P. O. Box 145801
Salt Lake City, UT 84114-5801

Re: **Transfer of Operations from Freedom Energy, Inc. to Rosewood**
 Uintah County, Utah

Dear Ms. Cordova:

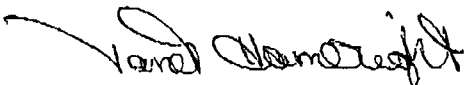
This letter will confirm that Rosewood Resources, Inc. has taken over operations from Freedom Energy, Inc. of the following undrilled wells with existing drilling permits.

<u>Well Name</u>	<u>Property Location</u>
	<u>All In Uintah Co. Utah</u>
1. Hanging Rock "H" #25-13	SW SW Sec. 25-11S-23E
2. Hanging Rock "H" #35-15	SW SE Sec. 35-11S-23E
3. Hanging Rock "I" #1-4	NW NW Sec. 01-12S-23E
4. Cruiser Federal "F" #6-6	SE NW Sec. 06-12S-24E
5. Hanging Rock "I" #11-8	SE NE Sec. 11-12S-23E
6. Hanging Rock "I" #12-2	NW NE Sec. 12-12S-23E
7. Hanging Rock "F" #7-8	SE NE Sec. 07-12S-24E
8. Hanging Rock "I" 11-6	SE NW Sec. 11-12S-23E

Thank you for updating your records accordingly. Please let me know if you need any further information. If you need to send any requests to me by fax, my fax number is (214) 999-5757.

Sincerely,

ROSEWOOD RESOURCES, INC.



Janet Hambright
Paralegal (214) 871-5718

Rosewood Resources, Inc.
Suite 500
100 Crescent Court
Dallas, Texas 75201
214 871 5700
214 871 5110 (Fax)

(DRILLING STATUS;APPROVED BUT HAVE NOT COMPLETED)

2-3-98

Record#	OPERATOR	API_NUMBER	WELL_NAME	SECTION	TOWNSHIP	RANGE	DATEAPPRVD	SPUD_DATE
3206	FREEDOM ENERGY INC	43-047-32852	HANGING ROCK FEDERAL H 25-13	25	11S	23E	04/03/97	/ /
3205	FREEDOM ENERGY INC	43-047-32853	HANGING ROCK FEDERAL H 35-15	35	11S	23E	04/25/97	/ /
3203	FREEDOM ENERGY INC	43-047-32855	HANGING ROCK FEDERAL I 1-4	01	12S	23E	05/06/97	/ /
3202	FREEDOM ENERGY INC	43-047-32856	CRUISER FEDERAL F 6-6	06	12S	24E	05/27/97	/ /
3210	FREEDOM ENERGY INC	43-047-32870	HANGING ROCK STATE H 36-9	36	11S	23E	/ /	/ /
3402	FREEDOM ENERGY INC	43-047-32935	HANGING ROCK I 11-8	11	12S	23E	07/16/97	/ /
3401	FREEDOM ENERGY INC	43-047-32936	HANGING ROCK I 12-2	12	12S	23E	07/16/97	/ /
3400	FREEDOM ENERGY INC	43-047-32937	HANGING ROCK FEDERAL F 7-8	07	12S	24E	07/16/97	/ /
3504	FREEDOM ENERGY INC	43-047-32992	HANGING ROCK I 11-6	11	12S	23E	10/02/97	/ /
3503	FREEDOM ENERGY INC	43-047-32993	TUCKER FEDERAL F 8-2	08	12S	24E	/ /	/ /

99999



OPERATOR CHANGE WORKSHEET

Attach all documentation received by the division regarding this change.

Initial each listed item when completed. Write N/A if item is not applicable.

Routing	
1- <i>EC</i>	6- <i>EC</i>
2-GLH	7-KAS
3-DTS	8-SI
4-VLD ✓	9-FILE
5-JRB ✓	

☒ Change of Operator (well sold)☐ Designation of Agent☐ Designation of Operator☐ Operator Name Change OnlyThe operator of the well(s) listed below has changed, effective: 1-30-98

TO: (new operator) ROSEWOOD RESOURCES INC
 (address) 100 CRESCENT COURT #500
DALLAS TX 75201

Phone: (214)871-5718Account no. N7510

FROM: (old operator) FREEDOM ENERGY INC
 (address) 1050 17TH ST STE 710
DENVER CO 80265

Phone: (303)592-3022Account no. N3285

WELL(S) attach additional page if needed:

HANGING ROCK UNIT & THIMBLE ROCK UNIT

Name: **SEE ATTACHED**	API: <u>43-047-32853</u>	Entity: _____	S _____	T _____	R _____	Lease: _____
Name: _____	API: _____	Entity: _____	S _____	T _____	R _____	Lease: _____
Name: _____	API: _____	Entity: _____	S _____	T _____	R _____	Lease: _____
Name: _____	API: _____	Entity: _____	S _____	T _____	R _____	Lease: _____
Name: _____	API: _____	Entity: _____	S _____	T _____	R _____	Lease: _____
Name: _____	API: _____	Entity: _____	S _____	T _____	R _____	Lease: _____
Name: _____	API: _____	Entity: _____	S _____	T _____	R _____	Lease: _____

OPERATOR CHANGE DOCUMENTATION

- lec* 1. (r649-8-10) Sundry or other legal documentation has been received from the **FORMER** operator (attach to this form). (*lec'd 1-21-98*)
- lec* 2. (r649-8-10) Sundry or other legal documentation has been received from the **NEW** operator (Attach to this form). (*Ref. 1-21-98*) (*Ref. 2-3-98*) (*lec'd 2-5-98*)
- JA* 3. The **Department of Commerce** has been contacted if the new operator above is not currently operating any wells in Utah. Is the company **registered with the state?** (yes/no) ____ If yes, show company file number: _____
- lec* 4. **FOR INDIAN AND FEDERAL WELLS ONLY.** The BLM has been contacted regarding this change. Make note of BLM status in comments section of this form. BLM approval of **Federal** and **Indian** well operator changes should ordinarily take place prior to the division's approval, and before the completion of **steps 5 through 9** below.
- lec* 5. Changes have been entered in the **Oil and Gas Information System** (3270) for each well listed above. (*2-3-98*)
- lec* 6. **Cardex** file has been updated for each well listed above. (*2-4-98*)
- lec* 7. Well **file labels** have been updated for each well listed above. (*2-4-98*)
- lec* 8. Changes have been included on the monthly "Operator, Address, and Account Changes" **memo** for distribution to Trust Lands, Sovereign Lands, UGS, Tax Commission, etc. (*2-3-98*)
- lec* 9. A folder has been set up for the **Operator Change file**, and a copy of this page has been placed there for reference during routing and processing of the original documents.

ENTITY REVIEW

- LC 1. (r649-8-7) **Entity assignments have been reviewed** for all wells listed above. Were entity changes made? (yes/no) ____ If entity assignments were changed, attach copies of Form 6, Entity Action Form.
- N/A 2. Trust Lands, Sovereign Lands, Tax Commission, etc., have been **notified** through normal procedures of entity changes.

BOND VERIFICATION - (FEE WELLS ONLY)

- N/A LC 1. (r649-3-1) The **NEW** operator of any fee lease well listed above has furnished a proper bond.
- ____ 2. A **copy of this form** has been placed in the new and former operator's bond files.
- ____ 3. The **FORMER** operator has requested a release of liability from their bond (yes/no) ____, as of today's date _____. If yes, division response was made to this request by letter dated _____.

LEASE INTEREST OWNER NOTIFICATION OF RESPONSIBILITY

- N/A LC 1. Copies of documents have been sent on _____ to _____ at Trust Lands for changes involving State leases, in order to remind that agency of their responsibility to review for proper bonding.
- N/A LC 2. (r649-2-10) The former operator of any fee lease wells listed above has been contacted and informed by letter dated _____ 19 ____, of their responsibility to notify all interest owners of this change.

FILMING

- ____ 1. All attachments to this form have been **microfilmed**. Today's date: _____.

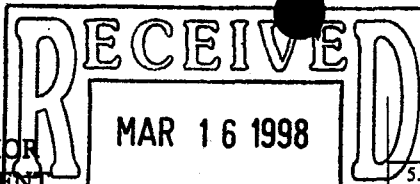
FILING

- ____ 1. **Copies** of all attachments to this form have been filed in each **well file**.
- ____ 2. The **original of this form**, and the **original attachments** are now being filed in the Operator Change file.

COMMENTS

980202 Blm /SL Aprv. eff. 1-30-98; includes wells in "Drilling Status" on separate list.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT



FORM APPROVED
Budget Bureau No. 1004-0135
Expires: September 30, 1990

SUNDRY NOTICES AND REPORTS ON WELLS
DIV. OF OIL, GAS & MINING

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

RECEIVED

FEB 03 1998

CONFIDENTIAL

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Rosewood Resources, Inc.

3. Address and Telephone No.
100 Crescent Court, Suite 500, Dallas TX. 75201 214-871-5729

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

585' FSL 2112, FWL, SW 1/4, SE 1/4, Sec. 35, T11S, R23E

5. Lease Designation and Serial No.

U-73694

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

Hanging Rock Unit

8. Well Name and No.

Hanging Rock H 35-15

9. API Well No.

4304732853

10. Field and Pool, or Exploratory Area

11. County or Parish, State

Uintah, Utah

CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

CONFIDENTIAL

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other

- ☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection

APD Extension

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Operator respectfully requests permission for an extension of 12 months on the APD for the subject well. The APD was approved on April 25, 1997. The operator anticipates drilling the subject well in 1998.

If you require additional detail please feel free to contact:

William (Bill) Ryan
Agent for Rosewood Resources, Inc.
Rocky Mountain Consulting

(801) 789-0968 Office
(801) 828-0968 Cell
(801) 789-0970 Fax

VERNAL DBT.
ENG. <u>WPRS 3/4/98</u>
GEOL. _____
E.S. _____
PET. _____
A.M. _____

COPY

APD extended 1 yr
by BLM per margie
Hermann, BLM-Vernal.
extend to 4/25/99.
DTS
3/23/98

14. I hereby certify that the foregoing is true and correct

Signed William Ryan

Title Agent

Date 2/2/98

(This space for Federal or State office use)

Assistant Field Manager

Title Mineral Resources

Date MAR 10 1998

Approved by _____
Conditions of approval, if any:

CONDITIONS OF APPROVAL ATTACHED

15. Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: September 30, 1990

SUNDRY NOTICES AND REPORTS ON WELLS

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SUBMIT IN TRIPLICATE

RECEIVED

FEB 03 1998

1. Type of Well
☒ Oil Well ☐ Well ☐ Other

2. Name of Operator

Rosewood Resources, Inc.

3. Address and Telephone No.
100 Crescent Court, Suite 500, Dallas TX. 75201 214-871-5729

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

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U-73694

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

Hanging Rock Unit

8. Well Name and No.

Hanging Rock H 35-15

9. API Well No.

43-047-32853

10. Field and Pool, or Exploratory Area

11. County or Parish, State

Uintah, Utah

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- ☐ Notice of Intent
☐ Subsequent Report
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TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other

- ☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
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13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Operator respectfully requests permission for an extension of 12 months on the APD for the subject well. The APD was approved on April 25, 1997. The operator anticipates drilling the subject well in 1998.

spudded 7/8/98
DTS
7/14/98

If you require additional detail please feel free to contact:

William (Bill) Ryan
Agent for Rosewood Resources, Inc.
Rocky Mountain Consulting

(801) 789-0968 Office
(801) 828-0968 Cell
(801) 789-0970 Fax

CONFIDENTIAL

VERNAL DIST.
ENG. WRS 3/4/98

GEOLOGICAL

E.S.

PET.

A.M.

CODV

RECEIVED
JUL 01 1998

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct

Signed William Ryan

Title Agent

Date 2/2/98

(This space for Federal or State office use)

Assistant Field Manager

Approved by
Conditions of approval, if any

Title Mineral Resources

Date MAR 10 1998

CONDITIONS OF APPROVAL ATTACHED

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

CONFIDENTIAL

Name of Company: ROSEWOOD RESOURCES

Well Name: HANGING ROCK FEDERAL H 35-15

Api No. 43-047-32853

Section 35 Township 11S Range 23E County UINTAH

Drilling Contractor

Rig #

SPUDDED:

Date 7/8/98

Time

How DRY HOLE

Drilling will commence

Reported by D. HACKFORD-DOGM

Telephone #

Date: 7/9/98 Signed: JLT

✓

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
ENTITY ACTION FORM - FORM 6

OPERATOR ROSEWOOD RESOURCES, INC.
ADDRESS P.O. BOX 1668
VERNAL, UT 84078

OPERATOR ACCT. NO. N7510

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION				COUNTY	SPUD DATE	EFFECTIVE DATE
					QO	SC	TP	RG			
B	99999	12430	4304732853	HANGING ROCK H #35-15	SWSE	35	11S	23E	Uintah	7/6/98	7/6/98
WELL 1 COMMENTS: ADD TO HANGING ROCK UNIT / Non P.A. Entities added 7-28-98. Lee CONFIDENTIAL											
B	99999	12431	4304733097	HANGING ROCK I #14-7	SWNE	14	12S	23E	Uintah	7/1/98	7/1/98
WELL 2 COMMENTS: ADD TO HANGING ROCK UNIT / Non P.A.											
B	99999	12432	4304733103	HANGING ROCK I #15-5	SWNW	15	12S	23E	Uintah	7/23/98	7/23/98
WELL 3 COMMENTS: ADD TO HANGING ROCK UNIT / Non P.A.											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

- ACTION CODES (See instructions on back of form)
- A - Establish new entity for new well (single well only)
 - B - Add new well to existing entity (group or unit well)
 - C - Re-assign well from one existing entity to another existing entity
 - D - Re-assign well from one existing entity to a new entity
 - E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.

(3/89)

Lee Nissen
Signature
Admin. Assistant 7-23-98
Title Date
Phone No. 435 789-0414

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

PHONE CONVERSATION DOCUMENTATION FORM

✓ This is the original form ☒ or a copy ☐

✓ Route this form to:

☐ WELL FILE HANGING ROCK H 35-¹⁵~~B~~

☐ SUSPENSE

☐ OTHER

Return date _____

To: initials _____

Section 35 Township 11S Range 23E

API number 43-047-32853

Date of phone call: JULY 27, 1998

Time: 11:25 AM

DOGM employee (name) CAROL DANIELS ^{CD}

Initiated call? ☒

Spoke with:

Name LUCY NEMEC

Initiated call? ☐

of (company/organization) ROSEWOOD RESOURCES INC

Phone no. 1-435-789-0414

Topic of conversation: FOOTAGES DON'T MATCH SWSE (0585 FSL 2112 FWL)

Highlights of conversation: IS THE FOOTAGES 0585 FSL 2112 FWL OR 0585 FSL 2112 FEL?

3270 HAS THE QR/QR AS SWSE BUT 2112 FWL.

0585 FSL 2112 FEL IS CORRECT PER LUCY. SHE WILL SEND A SUNDRY NOTICE

CORRECTING THIS. THE QR/QR IS CORRECT AS SWSE.

FREEDOM ENERGY HAD 2112 FWL ON APD & WAS CARRIED ON FROM THEIR. SURVEY PLAT

HAD SWSE AND WELL WAS PLOTTED FSL. LUCY WILL MAKE SURE THEIR SYSTEM HAS THE

CORRECT FOOTAGES AND QR/QR.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reenter a different reservoir.

Use "APPLICATION FOR PERMIT -" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

CONFIDENTIAL

2. Name of Operator

ROSEWOOD RESOURCES, INC.

3. Address and Telephone No.

P.O. Box 1668, Vernal, UT 435-789-0414

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

585' FEL, 2112' FEL SWSE SECTION 35, T112S, R23E

5. Lease Designation and Serial No.

UTU-73694

6. If Indian, Allottee or Tribe Name

NA

7. If Unit or CA, Agreement Designation

HANGING ROCK

8. Well Name and No.

HANGING ROCK H #35-15

9. API Well No.

43-047-32853

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH CO., UTAH

12. CHECK APPROPRIATE BOX(es) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

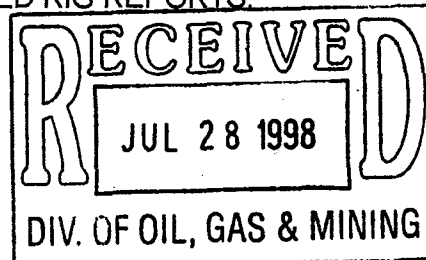
☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Weekly Status
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

WEEKLY STATUS - MIRU CAZA RIG #56; DRILLED TO TD @ 4632'; RAN AND CEMENTED 4-1/2" CSG. CAZA RIG #56 WAS RELEASE @ 19:00 P.M. 7/16/98. SEE ATTACHED RIG REPORTS.

CURRENT STATUS - WAITING ON COMPLETION RIG.



COPIES: ORIG. & 2-BLM; DIV. OG&M; J MCQUILLEN

14. I hereby certify that the foregoing is true and correct

Signed

[Signature]

Title Administrative Assistant

Date 07/23/98

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

ROSEWOOD RESOURCES, INC.

DAILY DRILLING REPORT

LEASE: HANGING ROCK
WELL: #35-15

DATE: 7/12/98

CURRENT DEPTH 2000'
PROPOSED TD 4632'
FOOTAGE PAST 24 HRS 1476'
ENGINEER D.WIDNER
CONSULTANT BO SHERMAN

PRESENT OPERATION: DRILLING CEMENT

FROM	TO	ACTIVITY PAST 24 HRS:
0600	0700	DRLG CEMENT & SHOE 456'-524'
0700	1215	DRLG 524'-1024'
1215	1245	SURVEY, RIG SERVICE & FUNCTION TEST BOP'S
1245	1530	DRLG 1024'-1304'
1530	1745	TRIP FOR BIT #2
1745	2030	DRLG 1304'-1521'
2030	2100	SURVEY
2100	0100	DRLG 1521'-1833'
0100	0130	RIG SERVICE
0130	0430	DRLG 1833'-1972' (LOST CIRC @ 1958')
0430	0530	MIX & PUMP LCM SWEEP & MUD UP PITS
0530	0600	DRLG 1972'-2000'

MUD PROPERTIES:

WT	FRESH	% OIL	
VIS		%SAND	
WL		%SOLID	
HTHP		ALK	
PV		Cl-	
YP			

Ca+	
cake	
pH	

DAILY MUD COST	20
CUM. MUD COST	20

DAILY COSTS:

FOOTAGE	26716
DAYWORK	
LOCATION	
MUD	20
RIG MOVE	
SURVEYOR	
LOGGING	
MUD LOG	500
CEMENTING	
FISHING	
WATER	2490
WELLHEAD	
CSG CREW	
RENTALS	450
CASING	
SUPERVISION	500
CASING HEAD	
TOTAL DAILY	30676
COST FORWARD	27913
CUM. TO DATE	58589

PUMP DATA:

	1	2
MAKE	Omega	Emsco
MODEL	750	500
LINER	8X6.5	7X6
SPM	108	
PSI	600-800	

HYDRAULICS:

WOB	15-20
RPM	55/105
GPM	360

BIT RECORD:

Bit #	1	2
Ser#	L67163	5983237
Size	7 7/8"	7 7/8"
Make	REED	Security
Type	HP53A	FM2565
Jets	3-16	3/12-5/13
In @	524'	1304'
Out @	1304'	
Feet	780'	696'
Hrs	9.5	10.25
Ft/Hr	82.1'	67.9'
CUM	9.5	19.75
Grade		

SURVEY DATA:

DEPTH	DEGREES
1024'	1/2
1521'	1

ADDITIONAL COMMENTS:

DAILY DRILLING REPORT

CURRENT DEPTH	524'
PROPOSED TD	4632'
FOOTAGE PAST 24 HRS	0'
ENGINEER	D.WIDNER
CONSULTANT	BO SHERMAN

FROM	TO	ACTIVITY PAST 24 HRS:
-------------	-----------	------------------------------

[illegible]

DAILY COSTS:

FOOTAGE	
DAYWORK	
LOCATION	
MUD	
RIG MOVE	
SURVEYOR	
LOGGING	
MUD LOG	
CEMENTING	
FISHING	
WATER	
WELLHEAD	
CSG CREW	
RENTALS	450
CASING	
SUPERVISION	500
CASING HEAD	
TOTAL DAILY	950
COST FORWARD	26963
CUM.TO DATE	27913

HYDRAULICS:

WOB	5-10
RPM	55/105
GPM	360

SURVEY DATA:

[illegible]

ADDITIONAL COMMENTS:

DAILY DRILLING REPORT

CURRENT DEPTH	4632 TD
PROPOSED TD	4632 TD
FOOTAGE PAST 24 HRS	517
ENGINEER	D.WIDNER
CONSULTANT	BO SHERMAN

FOOTAGE PAST 24 HRS 517

ENGINEER D.WIDNER

CONSULTANT BO SHERMAN

FROM	TO	ACTIVITY PAST 24 HRS:
600	700	DRILLING 4115' TO 4133'
700	845	WIRE LINE SURVEY @ 4133'
845	1300	DRILLING 4133' TO 4289'
1300	1315	RIG SERVICE FUNCTION TEST BOP'S
1315	30	DRILLING 4289' TO 4626'
30	45	RIG SERVICE
45	100	DRILLING 4628' TO 4632'
100	215	CIRC. TO SHORT TRIP
215	530	SHORT TRIP TO 1500'
530	600	CIRC. FOR LOGS

DAILY COSTS:

DAILY MUD COST	1094
CUM. MUD COST	6623

FOOTAGE	9358
DAYWORK	
LOCATION	
MUD	1094
RIG MOVE	
SURVEYOR	
LOGGING	
MUD LOG	500
CEMENTING	
FISHING	
WATER	90
WELLHEAD	
CSG CREW	
RENTALS	450
CASING	
SUPERVISION	500
CASING HEAD	

HYDRAULICS:

WOB	15/20
RPM	55/105
GPM	350

SURVEY DATA:

[illegible]

TOTAL DAILY	11992
COST FORWARD	107942
CUM.TO DATE	119934

ADDITIONAL COMMENTS:

SHOW #2 4504' TO 4514' UNITS 305
SHOW #3 4534' TO 4544' UNITS 240

DAILY DRILLING REPORT

CURRENT DEPTH	4632' TD
PROPOSED TD	4632' TD
FOOTAGE PAST 24 HRS	0
ENGINEER	D.WIDNER
CONSULTANT	BO SHERMAN

ENGINEER D.WIDNER
CONSULTANT BO SHERMAN

MUD PROPERTIES:

Ca+	40
cake	2/32
pH	10

DAILY MUD COST	1073
CUM. MUD COST	7996

DAILY COSTS:

TOTAL DAILY	73798
COST FORWARD	119934
CUM. TO DATE	193732

PUMP DATA:

HYDRAULICS:

WOB	
RPM	
GPM	

BIT RECORD:

SURVEY DATA:

ADDITIONAL COMMENTS:

CASING DETAIL	
107 JTS 4 1/2" 11.6# M65 CASING	4583.73'
FLOAT COLLAR	.61'
SHOE JT	42.43'
GUIDE SHOE	.79'

TOTAL 4627.56
(17 CUTOFF)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reenter a different reservoir.

Use "APPLICATION FOR PERMIT -" for such proposals

SUBMIT IN TRIPLICATE

CONFIDENTIAL

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

ROSEWOOD RESOURCES, INC.

3. Address and Telephone No.

P.O. Box 1668, Vernal, UT 435-789-0414

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

585' FEL, 2112' FEL SWSE SECTION 35, T112S, R23E

5. Lease Designation and Serial No.

UTU-66408

6. If Indian, Allottee or Tribe Name

NA

7. If Unit or CA, Agreement Designation

HANGING ROCK

8. Well Name and No.

HANGING ROCK H #35-15

9. API Well No.

43-047-32853

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH CO., UTAH

12. CHECK APPROPRIATE BOX(es) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

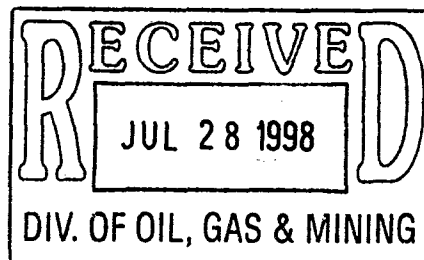
☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Spud
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Operator reports the above referenced well was spud on 7/6/98 @ 9:00 p.m. by Bill Jr's Rathole Service.
(See attached report for setting of surface casing.)

CONFIDENTIAL



COPIES: ORIG. & 2-BLM; DIV. OG&M; J MCQUILLEN

14. I hereby certify that the foregoing is true and correct

Signed

Rug Nema

Title Administrative Assistant

Date 07/23/98

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
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SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

CONFIDENTIAL

2. Name of Operator

ROSEWOOD RESOURCES, INC.

3. Address and Telephone No.

P.O. Box 1668, Vernal, UT 435-789-0414

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

585' FEL, 2112' FEL SWSE SECTION 35, T112S, R23E

5. Lease Designation and Serial No.

UTU-73694

6. If Indian, Allottee or Tribe Name

NA

7. If Unit or CA, Agreement Designation

HANGING ROCK

8. Well Name and No.

HANGING ROCK H #35-15

9. API Well No.

43-047-32853

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH CO., UTAH

12. CHECK APPROPRIATE BOX(es) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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TYPE OF ACTION

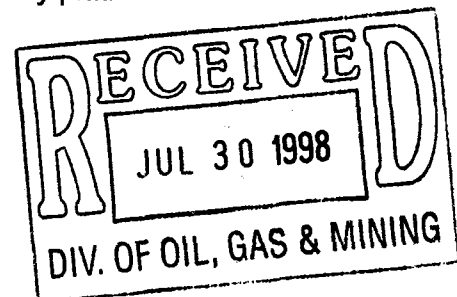
☐ Abandonment
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☐ Plugging Back
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☐ Altering Casing
☒ Other amend error
☐ Change of Plans
☐ New Construction
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(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

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Operator requests approval to amend an error in the location of the well on the APD. The original, approved APD reads 2112' FWL and should read 2112 FEL to agree with the survey plat.

CONFIDENTIAL



COPIES: ORIG. & 2-BLM; DIV. OG&M; J MCQUILLEN

14. I hereby certify that the foregoing is true and correct

Signed

Russ Neme

Title Administrative Assistant

Date 07/27/98

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
ENTITY ACTION FORM - FORM 6

OPERATOR ROSEWOOD RESOURCES, INC.
ADDRESS P.O. BOX 1668
VERNAL, UT 84078

OPERATOR ACCT. NO. N7510

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
B	99999	12430	4304732853	HANGING ROCK H #35-15	SWSE	35	11S	23E	Uintah	7/6/98	7/6/98
WELL 1 COMMENTS: ADD TO HANGING ROCK UNIT / Non P.A. Entities added 7-28-98. Lec CONFIDENTIAL											
B	99999	12431	4304733097	HANGING ROCK I #14-7	SWNE	14	12S	23E	Uintah	7/1/98	7/1/98
WELL 2 COMMENTS: ADD TO HANGING ROCK UNIT / Non P.A.											
B	99999	12432	4304733103	HANGING ROCK I #15-5	SWNW	15	12S	23E	Uintah	7/23/98	7/23/98
WELL 3 COMMENTS: ADD TO HANGING ROCK UNIT / Non P.A.											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

- ACTION CODES (See instructions on back of form)
- A - Establish new entity for new well (single well only)
 - B - Add new well to existing entity (group or unit well)
 - C - Re-assign well from one existing entity to another existing entity
 - D - Re-assign well from one existing entity to a new entity
 - E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.
(3/89)

Lucy N...
Signature
Admin. Assistant 7-23-98
Title Date
Phone No. 435 789-0414

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

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Use "APPLICATION FOR PERMIT -" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

CONFIDENTIAL

2. Name of Operator

ROSEWOOD RESOURCES, INC.

3. Address and Telephone No.

P.O. Box 1668, Vernal, UT 435-789-0414

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

585' FEL, 2112' FEL SWSE SECTION 35, T112S, R23E

5. Lease Designation and Serial No.
UTU-73694

6. If Indian, Allottee or Tribe Name
NA

7. If Unit or CA, Agreement Designation
HANGING ROCK

8. Well Name and No.
HANGING ROCK H #35-15

9. API Well No.
43-047-32853

10. Field and Pool, or Exploratory Area

11. County or Parish, State
UINTAH CO., UTAH

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TYPE OF SUBMISSION

☐ Notice of Intent
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☐ Final Abandonment Notice

TYPE OF ACTION

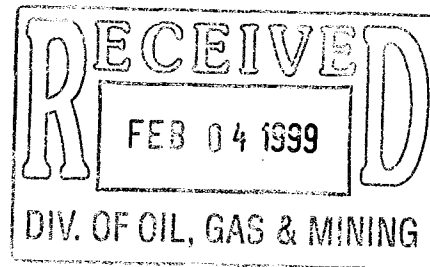
☐ Abandonment
☐ Recompletion
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☐ Casing Repair
☐ Altering Casing
☒ Other Weekly Status

☐ Change of Plans
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☐ Water Shut-Off
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☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Weekly Status - completion from 12/09/98 - 01/21/98 (See attached rig reports)
Current Status - SHUT-IN



COPIES: ORIG. & 2-BLM; DIV. OG&M; J MCQUILLEN

14. I hereby certify that the foregoing is true and correct

Signed

Larry Nemo

Title Administrative Assistant

Date 02/02/99

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instructions on Reverse Side

ROSEWOOD RESOURCES, INC.

Daily Completion Report

WELL NAME:HANGING ROCK 35-15

DATE: 1/29/98

DEPTH: 4632' 4351' - 59'
 PBTD 4578' 4338' - 47'
 PERFS: 4530' - 35' 4191' - 96'
 4520' - 24' 4100' - 05'
 4427' - 35' 3230' - 35'
 PACKER: 3127' - 44'
 RBP: 2483' - 2505'
 CIBP: 4500' 4410' 4300'
 EOT: 4172'

Lease #: UTU-73694
 Location: SWSE Sec. 35, T12S, R23E
 County: Uintah, Utah

Engineer D. Widner
 Consultant T. Thurston

12/9/98

MIRU POOL WELL SERVICE RIG #824, SPOTTED PUMP, PITS, FRAC TANKS AND PIPE RACKS. MOVED TBG FROM HANGING ROCK I #1-4 AND HANGING ROCK #15-5, PUT ON RACKS. NIPPLED UP BOP'S, RIH W/ 3 7/8" BIT, 4 1/2" CSG. SCRAPER AND 152 JTS. 2 3/8" TBG. TAGGED TD @ 4578', TESTED CSG TO 2500#, HELD OK. CIRCULATED HOLE W/ 65 BBLS 3% KCL, POOH W/ TBG, SHUT IN BOP'S. SHUT DOWN FOR DAY.

Daily cost \$19,818 cum. cost \$213,752

12/10/98

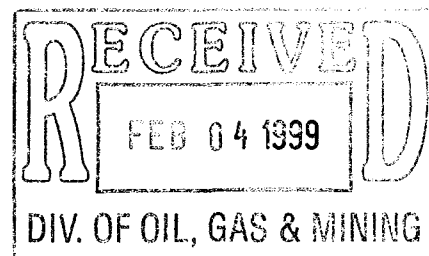
RU SCHLUMBERGER, RAN BOND LOG. MAX. RUN DEPTH 4575', TOP OF TAIL CEMENT @ 2010', TOP OF LEAD CEMENT @ SURFACE. GOOD CEMENT ACROSS ALL ZONES OF INTEREST. PERFORATED INTERVAL 4520' - 4524' & 4530' - 4535', 9' TOTAL, 4 - SPF, 36 HOLE TOTAL, W/ 3 1/2" HSD-UDP CSG. GUN. NO SHOW AFTER PERFORATING. RIH W/ XN NIPPLE, ARROW SET 1X PKR, 1 JT TBG, X NIPPLE AND 146 JTS 2 3/8" TBG. XN NIPPLE @ 4453', PKR @ 4447' ON 147 JTS TBG, AND X NIPPLE @ 4414'. SET PKR IN COMPRESSION, LANDED IN WELL HEAD ON HANGER. RU SWAB, MADE 3 SWAB RUNS, TBG SWABBED DRY. RECOVERED 17 BBLS LOAD WATER, W/ A TRACE OF GAS ON SWAB RUN. SION

Daily cost \$13,839 cum. cost \$227,591

12/11/98

THIS A.M., SITP 0#, RIH W/ SWAB FOUND FLUID LEVEL @ 1600' FROM SURFACE. MADE 3 SWAB RUNS, SWABBED TBG DRY. RECOVERED 13 BBLS WATER, W/ A TRACE OF GAS ON SWAB RUN. MADE 3 HOURLY RUNS, COULD RECOVER 1 BBL PER HR. RECOVERED TOTAL OF 15 BBLS FORMATION WATER. LOADED HOLE W/ 16 BBLS 3% KCL, BROKE DOWN PERFS @ 2000#, EST. A RATE ON 4 BBLS KCL OF 2150# @ 3 1/2 BPM, ISIP 1400#, 5 MIN. 500#. (FRAC GRAD. .75) TOTAL LOAD WATER TO RECOVER 20 BBLS. MADE 3 SWAB RUNS, SWABBED TBG DOWN, RECOVERED 23 BBLS WATER. MADE 30 MIN. RUNS, COULD RECOVER 2 BBLS PER RUN, 4 BBLS PER HOUR. TOTAL WATER RECOVERED 30 BBLS, 10 BBLS FORMATION WATER. HAD SLIGHT GAS SHOW ON SWAB RUN ONLY. UNSET PKR, POOH W/ TBG, SHUT BOP'S. SHUT DOWN FOR DAY.

Daily cost \$13,839 cum. cost \$227,591



12/12/98

THIS A.M., SITP 0#. RU SCHLUMBERGER, SET CIBP @ 4500', DUMP BAILED 1 SX OF CEMENT ON TOP CIBP. FOUND FLUID LEVEL 650' FROM SURFACE. PERFORATED INTERVAL 4427' TO 4435', 8' - 4 SPF, 32 HOLE TOTAL, W/ 3 1/2" HSD-UDP CSG GUN. NO SHOW AFTER PERFORATING. RIH W/ XN NIPPLE, ARROW SET 1X PKR, 1 JT TBG, X NIPPLE AND 143 JTS 2 3/8" TBG. XN NIPPLE @ 4361', PKR ON 144 JTS @ 4353' AND X NIPPLE @ 4322'. SET PKR IN COMPRESSION, LANDED IN WELL HEAD ON HANGER. RU SWAB, RECOVERED TBG VOLUME, 17 BBLS IN 3 RUNS. MADE 30 MIN RUN RECOVERED 200' OF WATER, MADE HOUR RUN, RECOVERED NO FLUID. TOTAL WATER RECOVERED 18 BBLS. HAD A TRACE OF GAS ON SWAB RUNS, NO CONTINUOUS BLOW. SION

Daily cost \$9,370 cum. cost \$239,768

12/13/98

THIS A.M., SITP 0#, WITH A LIGHT BLOW ON THE TBG. RIH W/ SWAB, FLUID LEVEL 3300' FROM SURFACE. MADE 2 SWAB RUNS, SWABBED TBG DRY, RECOVERED 4 BBLS WATER. MADE 1 - 30 MIN. RUN AND 1 HOUR RUN, NO FLUID ENTRY. HAD A LIGHT SHOW OF GAS ON SWAB RUN. LOADED TBG W/ 17 BBLS 3% KCL, BROKE DOWN PERFS @ 2200#. EST. A RATE ON 6 BBLS KCL OF 2350# @ 2 1/2 BPM, ISIP 1650# (FRAC GRAD. OF .81), 5 MIN. 1050#. 23 BBLS OF 3% KCL TO RECOVER. SWABBED 3 HRS, RECOVERED 23 BBLS LOAD WATER W/ A LIGHT SHOW OF GAS ON SWAB RUN. MADE 2 MORE 30 MIN. RUNS, RECOVERED NO FLUID. SION

Daily cost \$2,543 cum. cost \$242,311

12/15/98

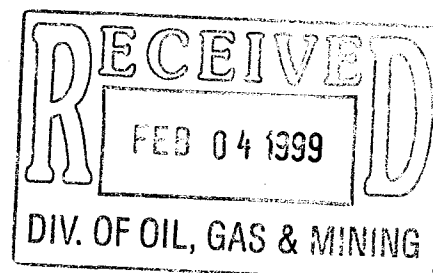
THIS A.M., SITP 26#, BLEW DOWN. RIH W/ SWAB, FOUND FLUID LEVEL @ 1200' FROM SURFACE. MADE 3 SWAB RUNS, TBG SWABBED DOWN, RECOVERED 12.6 BBLS WATER. MADE 2 - 30 MIN. RUNS AND 2 HOURLY RUNS, RECOVERED NO FLUID. UNSET PKR, POOH. RU SCHLUMBERGER, SET CIBP @ 4410'. TESTED CIBP TO 2500#, HELD OK. BAILED 1 SX OF CMT. ON TOP OF PLUG. PERFORATED INTERVAL 4338' TO 4337' & 4351' TO 4359' 17' OF ZONE, 4 SPF, 68 HOLES W/ 3 1/2" HSD-UDP CSG GUN. NO SHOW AFTER PERFORATING. RIH W/ XN NIPPLE, ARROW SET 1X PKR, 1 JT. TBG, X NIPPLE AND 140 JTS 2 3/8" TBG. XN NIPPLE @ 4271', PKR @ 4264' ON 141 JTS TBG, AND X NIPPLE @ 4234'. SET PKR IN COMPRESSION, LANDED IN WELL HEAD ON HANGER. TESTED PKR TO 2500#, HELD OK. RU SWAB, MADE 3 SWAB RUNS. TBG SWABBED DOWN W/ A SHOW OF GAS ON LAST RUN, RECOVERED 17 BBLS WATER. SION

Daily cost \$9,142 cum. cost \$251,453

12/16/98

THIS A.M., SITP 400#. OPENED TO TANK ON 18/64" CHOKE, BLEW DEAD IN 15 MIN. RIH W/ SWAB, FLUID LEVEL @ 600'. MADE 12 BACK TO BACK SWAB RUNS, TBG SWABBED DRY. RECOVERED 24 BBLS FORMATION WATER. WENT TO 30 MIN RUNS FOR 6 1/2 HRS, RECOVERED 21 BBLS FORMATION WATER. COULD RECOVER 2.3 BBLS PER HOUR. TOTAL FORMATION WATER RECOVERED FOR DAY 45 BBLS, HAD SHOW OF GAS ON SWAB RUN, NO CONTINUOUS SHOW. SION

Daily cost \$2,607 cum. cost \$254,060



12/17/98

THIS A.M., SITP 140#, OPENED TO TANK, BLEW DOWN. RIH W/ SWAB, FOUND FLUID LEVEL @ 400'. UNSET PKR, POOH W/ TBG. RU SCHLUMBERGER, SET CIBP @ 4300'. TESTED CIBP TO 2500#, HELD OK. BAILED 1 SX OF CEMENT ON TOP OF PLUG. PERFORATED INTERVAL 4191' TO 4196', 5' - 4 SPF, 20 HOLES W/ 3 1/2" HSD-UDP CSG GUN. NO SHOW AFTER PERFORATING. RIH W/ XN NIPPLE, ARROW SET 1X PKR, 1 JT. TBG, X NIPPLE AND 135 JTS OF 2 3/8" TBG. LANDED XN NIPPLE @ 4122', PKR @ 4115' ON 136 JTS. AND X NIPPLE @ 4085'. SET PKR IN COMPRESSION, LANDED TBG ON HANGER. TESTED PKR TO 2500#, HELD OK. RU SWAB, SWABBED TBG DOWN IN 3 RUNS, RECOVERED 17 BBLs WATER. MADE 2 - 30 MIN RUNS, NO FLUID ENTRY. HAD SHOW OF GAS ON SWAB RUN. SION

Daily cost \$6,662 cum. cost \$260,722

12/18/98

THIS A.M., SITP 10#. RIH W/ SWAB. FLUID LEVEL @ 3600'. MADE 3 SWAB RUNS & SWABBED TBG DRY, RECOVERED 2 BBLs WATER. MADE 1 - 30 MIN. RUN AND 2 HOURLY RUNS, NO FLUID ENTRY. LOADED TBG W/ 17 BBLs 3% KCL, BROKE DOWN PERFS @ 2500#. EST. RATE 2 BPM @ 2350#. ISIP 1750#, 5 MIN. 1500#. (FRAC GRAD. .86) 22 BBLs KCL TO RECOVER. MADE 4 SWAB RUNS, TBG SWABBED DRY, RECOVERED 16 BBLs LOAD WATER. MADE 30 MIN. RUN, NO ENTRY, WENT TO HOURLY RUNS. MADE 4 HOURLY RUNS, RECOVERED 1 BBL PER RUN. TOTAL LOAD WATER RECOVERED 20 BBLs, 2 BBLs KCL LTR. HAD A SHOW OF GAS ON EACH SWAB RUN. SION.

Daily cost \$2,791 cum. cost \$263,513

12/19/98

THIS A.M., SITP 35#. RIH W/ SWAB FOUND FLUID LEVEL @ 3100'. MADE 3 SWAB RUNS, SWABBED TBG DRY, RECOVERED 2 BBLs WATER. MADE 2 HOURLY RUNS, RECOVERED 1/2 BBL PER RUN. TOTAL WATER RECOVERED 3 BBLs, 1 BBL OVER LOAD. LOADED HOLE W/ 17 BBLs 3% KCL, PUMPED INTO PERFS @ 2000#. EST. A RATE ON 12 BBLs KCL OF 2500# @ 3 BPM. ISIP 1800# (FRAC GRAD. .87) 5 MIN. 1600#. 29 BBLs LOAD WATER TO RECOVER. MADE 3 SWAB RUNS, SWABBED TBG DRY, MADE 30 MIN. RUN, NO ENTRY. MADE 3 HOURLY RUNS, COULD RECOVER 1 BBL PER HOUR. TOTAL LOAD WATER RECOVERED 24 BBLs, 5 BBLs LTR. HAD SHOW OF GAS ON SWAB RUN ONLY. SION.

Daily cost \$2,769 cum. cost \$266,282

12/20/98

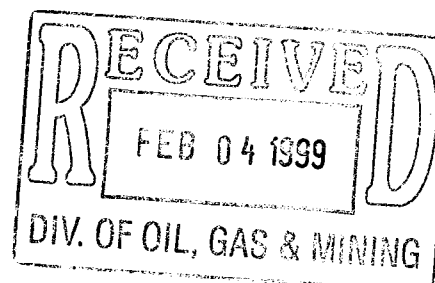
THIS A.M., SITP 45#. RIH W/ SWAB FOUND FLUID LEVEL @ 2700'. MADE 3 SWAB RUNS, SWABBED TBG DRY, RECOVERED 5 BBLs WATER. MADE 1 - 30 MIN. RUN AND 1 HOUR RUN, HAD NO FLUID ENTRY. WELL SWABBED DRY, RECOVERED ALL LOAD WATER. HAD SHOW OF GAS ON SWAB RUN ONLY. SHUT IN TILL MONDAY.

Daily cost \$1,661 cum. cost \$267,943

12/22/98

THIS A.M., SITP 95#. RIH W/ SWAB FOUND FLUID LEVEL @ 2000'. MADE 2 SWAB RUNS, SWABBED TBG DRY, RECOVERED 7 BBLs WATER. MADE 1 - 30 MIN. RUN, NO FLUID. WENT TO HOURLY RUNS, FIRST 2 RUNS RECOVERED 1 BBL PER RUN, MADE 3 MORE HOURLY RUNS RECOVERED NO FLUID. TOTAL WATER RECOVERED TODAY 9 BBLs. HAD A SHOW OF GAS ON SWAB RUN ONLY. SHUT IN.

Daily cost \$2,477 cum. cost \$270,420



1/5/99

THIS A.M. SITP 140#. RIH W/ SWAB FOUND FLUID LEVEL @ 700'. SET XN PLUG IN XN-NIPPLE @ 4122'. RELEASE ON/OFF TOOL, TEST TO 1500#. HELD OK. POOH W/ TBG & TOOLS. R/U SCHLUMBERGER. PERFORATED INTERVAL 4100' TO 4105', 5', 4SPF, 20 HOLES W/ 3 1/2" HSD-UDP CSG. GUN. NO SHOW AFTER PERFORATING. RIH W/ XN-NIPPLE, 4' PUP JT, ARROW SET 1X PKR, 1 JT. TBG, X-NIPPLE AND 132 JTS 2 3/8" TBG. XN-NIPPLE @ 4030', AND X-NIPPLE @ 3991'. SET PKR @ 4023' & , LANDED TBG ON HANGER. MADE 3 SWAB RUNS, SWABBED TBG DRY. MADE 30 MIN RUN, NO ENTRY, MADE 1 HOUR RUN, RECOVERED 250' OF FLUID. MADE 2ND HOURLY RUN, NO FLUID ENTRY. LOAD VOLUME 16 BBLS, RECOVERED TOTAL OF 17 BBLS WATER. SION

Daily cost \$8,649 cum. cost \$279,069

1/6/99

THIS A.M. SITP 0#, WITH A LIGHT BLOW ON TBG. RIH W/ SWAB FOUND FLUID LEVEL @ 2900'. MADE 2 SWAB RUNS, TBG SWABBED DRY, RECOVERED 5 BBLS WATER. MADE 1, 30 MIN. RUN AND 3 HOURLY RUNS. RECOVERED NO FLUID. HAD TRACE OF GAS ON SWAB RUN. HAVE RECOVERED TOTAL OF 6 BBLS OVER LOAD. LOADED HOLE W/ 16 BBLS 3% KCL. BROKE DOWN PERFS @ 2500#. INJECTION RATE 3 BPM @ 2350# PUMPED 13 BBLS INTO PERFS. ISIP 1500#, 5 MIN. 800#. (FRAC GRAD .81) HAVE A TOTAL OF 29 BBLS LOAD WATER TO RECOVER. RU SWAB. SWABBED 4 HRS. SWABBED TBG DOWN, MADE 30 MIN. RUNS, COULD RECOVER 400' OF FLUID PER RUN. RECOVERED TOTAL OF 33 BBLS WATER. 4 BBLS OVER LOAD W/ A SHOW OF GAS ON SWAB RUNS. SION

Daily cost \$3,423 cum. cost \$282,492

1/7/99

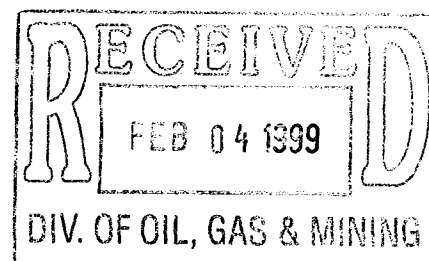
THIS A.M. SITP 160#. RIH W/ SWAB, FLUID LEVEL @ 400'. SWABBED 4 1/2 HRS, RECOVERED TOTAL OF 24 BBLS FORMATION WATER. WELL SWABBED DOWN, MADE 30 MIN. RUNS. COULD RECOVER 2.2 BBLS PER HOUR. UNSET PKR, POOH, LAYED DOWN PKR. PU ON AND OFF TOOL, RIH TO 4000'. SHUT DOWN FOR DAY.

Daily cost \$2,437 cum. cost \$284,929

1/8/99

THIS A.M. SITP 40#. FINISHED IN HOLE W/ TBG, LATCHED ON TO PKR @ 4115'. UNSET ARROW SET 1X PKR, PULLED UP HOLE TO 3325'. SET PKR ON 110 JTS, PKR @ 3325', XN NIPPLE W/ XN PLUG IN PLACE @ 3331'. GOT OFF ON AND OFF TOOL, TESTED PKR AND PLUG TO 2500#, HELD OK. POOH W/ TBG. RU SCHLUMBERGER, PERFORATED INTERVAL 3127' TO 3144', 17', 4 SPF, 68 HOLES W/ HSD-UDP CSG GUN. NO SHOW AFTER PERFORATING. RIH W/ XN NIPPLE, ARROW SET 1X PKR, 1 JT TBG, X NIPPLE AND 100 JTS 2 3/8" TBG. SET PKR IN COMPRESSION, LANDED IN WELL HEAD ON HANGER. XN NIPPLE @ 3055', PKR @ 3048' ON 101 JTS TBG, AND X NIPPLE @ 3018'. TESTED PKR TO 2500#, HELD OK. RU SWAB, MADE 3 SWAB RUNS SWABBED TBG DOWN, MADE 1 - 30 MIN RUN AND 2 HOURLY RUNS, WELL SWABBED DRY. RECOVERED A TOTAL OF 14 BBLS WATER, WITH A LIGHT CONTINUOUS SHOW OF GAS TO SURFACE. SION

Daily cost \$6,830 cum. cost \$291,759



1/9/98

THIS A.M. SITP 340#. OPENED TO TANK ON 8/64" CHOKE, WELL BLEW DEAD IN 1 HR. RECOVERED NO FLUID, HAD A LIGHT CONTINUOUS SHOW OF GAS. MADE SWAB RUN, 1000' OF WATER IN WELL, RECOVERED 4.6 BBLS WATER FIRST SWAB RUN. MADE 30 MIN RUN, RECOVERED 2 BBLS WATER, 2ND 30 MIN. RUN, NO ENTRY. WENT TO HOURLY RUNS. HAD 1 BBL OF WATER PER HOUR FLUID ENTRY. SWABBED FOR 8 HRS, RECOVERED A TOTAL OF 13 BBLS OF WATER FOR DAY. HAD A SHOW OF GAS ON EVERY SWAB RUN, W/ TRACE OF GAS TO SURFACE BETWEEN RUNS. SION

Daily cost \$2,571 cum. cost \$294,330

1/12/99

THIS A.M. SITP 240#. OPENED TO TANK ON 12/64" CHOKE, WELL BLEW DEAD IN 15 MIN. RIH W/ SWAB, FLUID LEVEL 500' FROM SURFACE. MADE 3 SWAB RUNS, SWABBED TBG DRY, RECOVERED 12 BBLS WATER. MADE 3 - 30 MIN. RUNS, RECOVERED NO FLUID. MADE 7 HOURLY RUNS, RECOVERED 1 BBL WATER EVERY 3 HRS. TOTAL FLUID RECOVERED FOR DAY 14 BBLS. HAD SHOW OF GAS ON SWAB RUNS. SION

Daily cost \$2,709 cum. cost \$297,039

1/13/99

THIS A.M. SITP 100#. OPENED TO TANK. WELL BLEW DOWN IMMED. RIH W/ SWAB, FLUID @ 1700'. MADE 4 SWAB RUNS. SWABBED TBG DRY. RECOVERED 5 BBLS WATER. MADE 2 HOURLY RUNS. NO FLUID ENTRY. HAD A GAS SHOW ON SWAB RUN ONLY. LOADED HOLE W/ 12 BBLS 3% KCL. BROKE DOWN PERFS @ 1800#, EST. INJ RATE ON 7 BBLS KCL OF 4 BPM @ 1800#. ISIP 900#. IN 2 MIN. PSI 0#. (FRAC GRAD. .73) HAVE A TOTAL OF 19 BBLS KCL TO RECOVER. MADE 4 SWAB RUNS. SWABBED TBG DOWN. RECOVERED 17 BBLS OF LOAD WATER W/ A CONTINUOUS SHOW OF GAS AFTER 4TH RUN. WENT TO 30 MIN. RUNS. HAD 500' OF GAS CUT FLUID IN HOLE EVERY 30 MIN. COULD RECOVER 1 BBL FLUID PER RUN. PUT IN 8/64" CHOKE BETWEEN RUNS. TBG PSI WOULD BUILD TO 13#. TOTAL WATER RECOVERED 27 BBLS. 8 BBLS OVER LOAD. SION

Daily cost \$2,791 cum. cost \$299,830

1/14/99

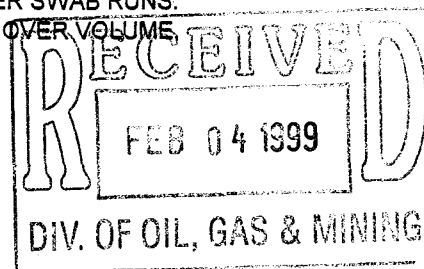
THIS A.M. SITP 520#. OPENED TO TANK ON 8/64" CHOKE. FTP DROPPED TO 0# IN 1 HR. RIH W/ SWAB. FLUID LEVEL @ 700'. MADE 3 SWAB RUNS. SWABBED TBG DRY. RECOVERED 9 BBLS WATER. MADE 14- 30 MIN RUNS. HAD 500' OF GAS CUT FLUID IN WELL EVERY 30 MINUTES. FLUID ENTRY 1 BBL WATER PER RUN W/ A CONTINUOUS SHOW OF GAS. PUT 8/64" CHOKE IN FOR 1 HR. FTP BUILT TO 13#. MADE SWAB RUN, RECOVERED 2 BBLS WATER. TOTAL FORMATION WATER RECOVERED FOR DAY 25 BBLS. SION

Daily cost \$2,589 cum. cost \$302,419

1/15/99

THIS A.M. SITP 560#. OPENED TO TANK ON 12/64" CHOKE, BLEW DEAD IN 30 MIN. RIH W/ SWAB, FOUND FLUID LEVEL @ 1200'. UNSET PKR, RIH TO 3172', RESET PKR. TESTED PKR AND XN PLUG TO 2500#, HELD OK. UNSET PKR, POOH. RU SCHLUMBERGER, PERFORATED INTERVAL 3230' TO 3235', 5'- 4SPF, 20 HOLES W/ 3 1/2" HSD-UDP CSG GUN. NO SHOW AFTER PERFORATING. RIH W/ XN NIPPLE, ARROW SET 1X PKR, 1 JT. TBG, X NIPPLE AND 104 JTS 2 3/8" TBG. SET PKR IN COMPRESSION, LANDED IN WELL HEAD ON HANGER. XN NIPPLE @ 3179', PKR @ 3172' AND X NIPPLE @ 3141'. RU SWAB, SWABBED TBG DOWN IN 3 RUNS, RECOVERED 12 BBLS WATER. WENT TO 30 MIN. RUNS, HAD 500' OF GAS CUT WATER IN TBG EACH RUN AND COULD RECOVER 1 BBL PER RUN. HAD A LIGHT CONTINUOUS SHOW OF GAS DURING AND AFTER SWAB RUNS. RECOVERED TOTAL OF 23 BBLS WATER, TBG VOLUME IS 12 BBLS, RECOVERED 11 BBLS OVER VOLUME.

Daily cost \$6,166 cum. cost \$308,585



1/16/99

THIS A.M. SITP 0#. RIH W/ SWAB, FLUID LEVEL @ 100'. MADE 4 SWAB RUNS, SWABBED TBG DRY, RECOVERED 16 BBLS WATER. MADE 12- 30 MIN RUNS. FLUID ENTRY 3 BBLS PER HOUR. TOTAL WATER RECOVERED 34 BBLS. W/ LIGHT BLOW OF GAS DURING SWAB RUN ONLY. SHUT DOWN.

Daily cost \$2,481 cum. cost \$311,066

1/19/99

THIS A.M. SITP 0#. SICP 40#. RIH W/ SWAB. FLUID LEVEL 100' FROM SURFACE. UNSET ARROW SET 1X PKR. POOH. LAYED DOWN PKR. RIH W/ ON AND OFF TOOL. LATCHED ON TO RBP @ 3325'. UNSET, PULL UP HOLE TO 2728' & TRIED TO RESET RBP. WOULD NOT SET. POOH W/ TBG & TOOLS. RIH W/ BULL PLUG, 6' SUB, AND ARROW SET 1X PKR TO 2721'. SET PKR. RELEASE FROM ON AND OFF TOOL. CIRCULATED HOLE CLEAN W/ 60 BBLS 3% KCL. TESTED PKR TO 2500#. HELD OK. POOH W/ TBG. RU SCHLUMBERGER. PERFORATED INTERVAL 2483' TO 2508', 25' - 4SPF, 100 HOLES W/ 3 1/2" HSD-UDP CSG GUN. NO SHOW AFTER PERFORATING. RIH W/ X-N NIPPLE. ARROW SET 1X PKR, 1 JT TBG, X- NIPPLE AND 78 JTS 2 3/8" TBG. SET PKR IN COMPRESSION. LANDED IN WELL HEAD ON HANGER. X-N NIPPLE @ 2399'. PKR @ 2392' ON 79 JTS TBG AND X- NIPPLE @ 2362'. TESTED PKR TO 2500#. HELD OK. RU SWAB. MADE 6 SWAB RUNS. FLUID LEVEL HOLDING @ 600' FROM SURFACE. COULD RECOVER 7 BBLS WATER PER RUN. RECOVERED A TOTAL OF 44 BBLS WATER. TBG VOLUME TO RECOVER 9 BBLS. RECOVERED 35 BBLS OVER LOAD. SION

Daily cost \$8,624 cum. cost \$319,690

1/20/99

THIS A.M. SITP 0#. RIH W/ SWAB. FOUND FLUID LEVEL @ SURFACE. MADE 16 SWAB RUNS RECOVERED 113 BBLS FORMATION WATER. COULD RECOVER 41 BBLS WATER PER HOUR W/ NO GAS. UNSET PKR. POOH LAYED DOWN PKR. RIH W/ ON AND OFF TOOL. LATCHED ON TO PKR @ 2721', UNSET. POOH LAYING DOWN. GOT OUT OF HOLE. DID NOT HAVE PKR. RAN BACK IN HOLE FOUND @ 1975'. LATCHED ON TO PKR. PULLED OUT OF HOLE. LAYED DOWN TBG AND PKR. CLOSED BOP'S. SHUT DOWN FOR NIGHT.

Daily cost \$5,140 cum. cost \$324,830

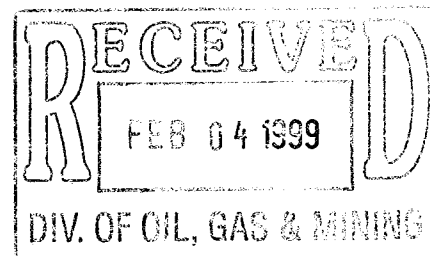
1/21/99

THIS A.M. SITP 0#. PU AND RIH W/ SEATING NIPPLE AND 138 JTS 2 3/8" TBG. LANDED TBG @ 4172'. N/D BOP'S. N/U WELL HEAD. RACKED OUT ALL EQUIPMENT. RIGGED DOWN. SDFN.

PERFS

2483' TO 2508', 3127' TO 3144', 3230' TO 3235', 4100' TO 4105', & 4191' TO 4196'

Daily cost \$1,903 cum. cost \$326,733



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reenter a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals

SUBMIT IN TRIPLICATE

CONFIDENTIAL

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

ROSEWOOD RESOURCES, INC.

3. Address and Telephone No.

P.O. Box 1668, Vernal, UT 435-789-0414

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

585' FSL 2112' FWL, SW/SE Section 35, T11S, R23E

5. Lease Designation and Serial No.

UTU-73694

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

HANGING ROCK

8. Well Name and No.

HANGING ROCK "H" #35-15

9. API Well No.

43-047-32853

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH CO., UTAH

12. CHECK APPROPRIATE BOX(es) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

☒ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☐ Other

☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Well was plugged and abandoned on 6/10/99. See attached rig reports for plugging information.

COPIES: ORIG. & 2-BLM; DIV. OG&M; J MCQUILLEN

14. I hereby certify that the foregoing is true and correct

Signed

Lucy Nema

Title Administrative Assistant

Date 06/25/99

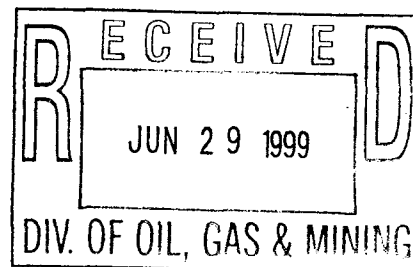
(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:



ROSEWOOD RESOURCES, INC.

DAILY WORKOVER REPORT

DATE 6/11/99

PROSPECT HANGING ROCK "H"	WELL NAME & NUMBER #35-15	SEC. 35	TWP. 12S	RNG. 23E	COUNTY UINTAH	STATE UTAH
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PBTD	TODAYS OPERATION WELL PLUGGED. PREP TO REHAB LOCATION.
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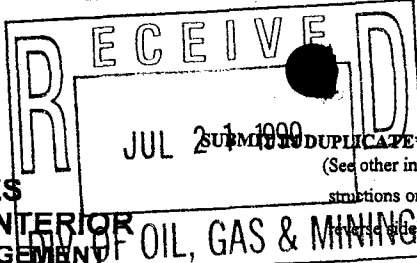
DAYS 2	PERFS	TBG	PKR / ANCHOR	CSG 4 1/2" 4628'	CONTRACTOR K&S RIG #1
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YESTERDAYS OPERATIONS

R/U SCHLUMBERGER. RIH & SET CIBP @ 3100'. RIH & DUMPBAIL 35' CEMENT ON PLUG. RIH & SET CIBP @ 2410'. RIH & DUMP BAIL 35' CEMENT ON THIS PLUG. R/D SCHLUMBERGER. RIH W/ 2 3/8" TBG TO 613'KB. R/U HALLIBURTON. MIX & PUMP 50sx CEMENT & CIRC TO SURFACE. POOH & LAY DOWN TBG. MIX & PUMP 25sx CEMENT & FILL 4 1/2" CSG TO SURFACE. N/D BOP'S & TUBINGHEAD. R/D HALLIBURTON. R/D WELL SERVICE RIG. SDFN

COST DETAIL	Daily	Cumulative		COST DETAIL	Daily	Cumulative
LOCATIONS & ROADS				CASING		
RIG	1520	3,320		TUBING		
DOWNHOLE EQUIPMENT				WELLHEAD		
WATER				PRODUCTION EQUIPMENT		
TANKS				HOT OILER		
SUPERVISION	500	1000		SNUBBING UNIT & N2		
BOP RENTAL	175	350		SLICKLINE		
WIRELINE	3900	3,900		FISHING TOOLS & OPER.		
TRUCKING						
TREATMENT						
SURF. EQUIP. RENTAL	20	40				
CEMENT	3035	3035		TOTAL COSTS	9,150	11,645

WELL SITE REPRESENTATIVE SALTY MILLER	DATE 6/11/99 FRIDAY
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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
BUREAU OF OIL, GAS & MINING

FORM APPROVED
OMB NO. 1004-0137
Expires: February 28, 1995

5. LEASE DESIGNATION AND SERIAL NO.
UTU-73694

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
N/A

7. UNIT AGREEMENT NAME
N/A

8. FARM OR LEASE NAME, WELL NO.
HANGING ROCK "H" #35-15

9. API WELL NO.
43-047-32853

10. FIELD AND POOL OR WILDCAT
WILDCAT

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
SEC. 35, T11S, R23E

Block & Survey: S.L.B. & M

12. COUNTY OR PARISH
UINTAH

13. STATE
UTAH

19. ELEV. CASINGHEAD
5955' KB

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WORK

OIL WELL ☐ GAS WELL ☒ DRY ☐

1b. TYPE OF WELL

NEW WELL ☒ WORK OVER ☐ DEEP EN ☐ PLUG BACK ☐ DIFF. RESER. ☐ Other ☐

2. NAME OF OPERATOR

ROSEWOOD RESOURCES, INC.

3. ADDRESS AND TELEPHONE NO.

P.O. BOX 1668, VERNAL, UT 84078 435-789-0414

4. LOCATION OF WELL (Report locations clearly and in accordance with any State requirements.)*

At Surface

585' FSL 2112' FEL SW/SE SECTION 35, T11S R23E

At top prod. Interval reported below

At total depth

14. PERMIT NO.

UTO80-7M-163

DATE ISSUED

4/25/97

15. DATE SPUDDED

7/6/98

16. DATE T.D. REACHED

7/15/98

17. DATE COMPL. (Ready to prod.)

1/20/99

18. ELEVATIONS (DF, RKB, RT, GR, ETC.)*

5941' GL

20. TOTAL DEPTH, MD & TVD

4632' MD

21. PLUG, BACK T.D., MD & TVD

CIBP 4300'

CIBP 4410' CIBP @ 4500'

22. IF MULTIPLE COMPL., HOW MANY*

23. INTERVALS

DRILLED BY

----->

ROTARY TOOLS

524' - 6500'

CABLE TOOLS

NA

24. PRODUCING INTERVAL(S), OF THIS COMPLETION--TOP, BOTTOM, NAME (MD AND TVD)*

Wasatch - 4191' - 96'; 4100' - 05'; 3230' - 35'; 3127' - 44'; 2483' - 2508'

25. WAS DIRECTIONAL SURVEY MADE

NO

26. TYPE ELECTRIC AND OTHER LOGS RUN

MUD LOG; CNLD/GR; A/LC/GR; CBL, MICROLOG

7-20-98

27. WAS WELL CORED

NO

23. CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
9-5/8" K-55	36#	524' KB	12-1/4"	SURF-146 SX "G" + ADD	NONE
4-1/2" M-65	11.6#	4584'	7 7/8"	Tail 500 sk "G" + add	
				Lead 250sx Howco-Lite + add.	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2 3/8"	4175'	

31. PERFORATION RECORD (Interval, size and number)

INTERVAL	SIZE	NUMBER
4520'-4524', 4530'-35'	0.46	36
4427'-4435'	0.46	32
4338'-47', 4351'-59'	0.46	68
4191'-4196'	0.46	20

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED

33.* PRODUCTION

DATE FIRST PRODUCTION

Shut-in 1/20/99

PRODUCTION METHOD (Flowing, gas lift, pumping--size and type of pump)

WELL STATUS (Producing or shut-in)

Shut-in

DATE OF TEST

HOURS TESTED

CHOKE SIZE

PROD'N. FOR 12-HR PERIOD

OIL--BBL.

GAS--MCF.

WATER--BBL.

GAS-OIL RATIO

FLOW. TUBING PRESS.

CASING PRESSURE

CALCULATED 24-HOUR RATE

OIL--BBL.

GAS--MCF.

WATER--BBL.

OIL GRAVITY-API (CORR.)

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

TEST WITNESSED BY

35. LIST OF ATTACHMENTS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED

R. A. Verner

TITLE

ADMINISTRATIVE ASISTANT

DATE

7/19/99

*(See Instructions and Spaces for Additional Data on Reverse Side)

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof: cored intervals, and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries);

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof: cored intervals, and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries);	FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
						MEAS. DEPTH	TRUE VERT. DEPTH
38. GEOLOGIC MARKERS				ADDITIONAL PERFORATIONS			
				4100' - 4105' .46 20 HOLES	WASATCH TOP	2746'	
				3230' - 3235' .46 20 HOLES	MESA VERDE	4420'	
				3127' - 3144' .46 68 HOLES			
			2483' - 2508' .46 100 HOLES				

RECEIVED
 JUL 21 1999
 DIV. OF OIL, GAS & MIN.

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